Whereas the Committee on Un-American Activities of the United States House of Representatives has rendered outstanding service in exposing the efforts of Communist and other subversive groups to undermine our Government and spread among our people ideologies antagonistic to our American way of life; and

Whereas this committee is carrying on a work which is in line with our Americanism program: Therefore be it

Resolved by the American Legion, Department of Alabama, in annual session assembled in Mobile on July 5, 1949, That we endorse and commend this committee and ask the Representatives from Alabama to vote to continue this committee; be it further

Resolved, That copies of this resolution be sent to the Honorable JOHN S. WOOD, chairman of the committee, and to each of the nine Representatives and the two Senators from Alabama, and that copies be given to the press for publication.

PROGRAM FOR FRIDAY

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. WHERRY. Mr. President, I should like to state that in cooperation with the majority leader we have attempted to provide some sort of continuity in which Senators will speak on the North Atlantic Pact. The Senators who will be available tomorrow to speak on the pact will include the Senator from Indiana [Mr. JENNER], the Senator from Oregon [Mr. MORSE], the Senator from Florida [Mr. PEPPER], the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Missouri [Mr. KEM].

I do not say they will proceed in that order. Of course that depends upon the occupant of the chair. I should like to say, however, that while I am not asking unanimous consent that the Senator from Indiana [Mr. JENNER] be recognized, he has had to postpone his remarks, and I trust that the occupant of the chair will recognize him tomorrow. He had hoped to speak today, but he had to give way to other Senators who wanted to make their speeches in the time he would have had.

I feel that in cooperating with the majority leader it will help to arrange a program and expedite the whole matter.

I wanted to have that statement in the RECORD so that Senators could see it.

RECESS

Mr. SPARKMAN. Mr. President, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 15, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate July 14 (legislative day of June 2), 1949:

JUDGE OF THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA

Edith H. Cockrill, of the District of Columbia, to be Judge of the Juvenile Court of the District of Columbia, to fill a new position.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 14, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. Jacob S. Payton, D. D., offered the following prayer:

Gracious God, through the impartation of Thy spirit equip us for the duties that lie ahead. Make plain to us the path of righteousness, and grant us strength and courage to walk proudly and unfalteringly therein. Grant us, Merciful Father, companionship with things excellent by enabling us to live above the cares that fret and the temptations that debase. May we think Thy thoughts until our minds are elevated and every area of our lives is transformed.

May we never minimize the responsibilities of the use of a day nor grow insensitive to the solemn fact that present actions determine future conditions. This day, O Lord, may the work of Members of this body be acceptable in Thy sight. In the name of Thy Son, our Saviour, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

THREE AFFILIATED TRIBES OF FORT BERTHOLD RESERVATION, N. DAK.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MORRIS, MURDOCK, WHITE of Idaho, D'EWART, and LEMKE.

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to extend his remarks in the RECORD and include resolutions adopted by the Committee on Merchant Marine and Fisheries.

COMMITTEE ON THE JUDICIARY

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 246) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 238, Eighty-first Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcommittee, within or without the United States, not to exceed $45,000, including expenditures for employment, travel, and subsistence of experts and clerical assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the House Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 254) and ask for its immediate consideration.

Resolved, That the Committee on Un-American Activities is hereby authorized to pay, out of the funds made available to it by House Resolution 78 of the Eighty-first Congress, the sum of $526.85 to The Congressional, Inc., trading as the Hotel Congressional, for providing hotel service to Miss Elizabeth T. Bentley, from August 5, 1948, to August 18, 1948, both dates inclusive, while she was testifying before such committee.

Mr. LECOMPTE. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Iowa.

Mr. LECOMPTE. Mr. Speaker, it occurs to me that a word should be said about this resolution.

This resolution contemplates the payment of a bill from the Congressional Hotel for a room and services for Miss Elizabeth Bentley, who appeared before the Committee on Un-American Activities several months ago. Miss Bentley's appearance before this committee attracted Nation-wide interest. The bill is for more than $500 for 12 days' room service, and so forth, at the hotel named. This hotel is located back of the House Office Building.

Miss Bentley was subpenaed and appeared before the House Committee on Un-American Activities. A guard was furnished Miss Bentley during the time she was at that hotel and the meals for the guards are included in the bill. The guards or policemen drew their salaries from the District Government, presumably.

Mr. Speaker, the rules of the House at that time provided a maximum of $6 per diem as expense allowed to Government employees and witnesses for subsistence. Of course, this bill is a great deal higher than that. It is something like $15 a day for Miss Bentley's apartment, plus charges for meals for herself in her apartment and meals for the guards, and tips, and long distance telephone calls. However, the Committee on Un-American Activities apparently felt that it was necessary to have Miss Bentley here, that it was necessary to have her guarded all the time she was here, and that it was necessary to furnish meals for the guards during the time she was appearing before that committee. The bill could not be paid and okayed by the Committee on Un-American Activities because it was far in excess of the regular amount provided by the rules.

The resolution is amended, I think, by a provision to pay this bill out of the unexpended balance that remained of the funds provided the Committee on

Un-American Activities in the Eightieth Congress.

It occurs to me that inasmuch as this is an extraordinary bill the Members of the House should have a word of explanation in connection with it. If this bill is to be defended, it should be defended not by the Committee on House Administration but by the Committee on Un-American Activities, which committee contracted the bill and has never gotten the obligation discharged.

Mr. RICH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Pennsylvania.

Mr. RICH. What hotel is it that charged $15 a day for a room for an individual?

Mr. LECOMPTE. It is the Congressional Hotel. The Committee on Un-American Activities authorized the bill, as I understand. This $15 a day is for the suite.

Mr. RICH. Who would authorize anyone to go to a hotel that would charge $15 a day for a room?

Mr. LECOMPTE. As I said before, the Committee on Un-American Activities will have to defend this bill, not the Committee on House Administration. The Committee on House Administration is merely undertaking to discharge an obligation of the Government that the Committee on Un-American Activities contracted. I am not defending this bill; in fact, I refused to okay this bill last fall when I was chairman of the Committee on House Administration or to sign a voucher for the payment of same. I regard this bill as an obligation of the Un-American Activities Committee and as such I submit that Members of the House should determine if the claim of the hotel is to be paid. I have never understood the necessity of having Miss Bentley here before the Un-American Activities Committee for 14 days.

Mr. RICH. I came in here one night about midnight and went over to that hotel and asked them for a room. They wanted $12 a night for me to sleep about 6 hours. So I just went to another hotel.

Mr. LECOMPTE. Of course they served meals to Miss Bentley in her room and she was under guard, and in the bill there is a substantial sum for tips. I do not recommend passage of this resolution. I only state the facts for the benefit of the House.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 1, line 3, strike out "78" and insert "48"; strike out "Eighty-first" and insert "Eightieth."

The committee amendment was agreed to.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 252) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by rule XI (1) (h) incurred by the Committee on Expenditures in the Executive Departments, acting as a whole or by subcommittee, not to exceed $50,000, in addition to $50,000 authorized by House Resolution 88, Eighty-first Congress, agreed to February 9, 1949, and $50,000 authorized by House Resolution 127, Eighty-first Congress, agreed to April 1, 1949, including employment of such experts, special counsel, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ARLETTA B. ROBERTS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 275) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Arletta B. Roberts, widow of Parker A. Roberts, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $250 toward defraying the funeral expenses of said Parker A. Roberts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

OFFICE OF THE SERGEANT AT ARMS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. J. Res. 298) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, etc., That in order to provide additional protection for the appropriated and trust funds of the Office of the Sergeant at Arms of the House of Representatives, the Comptroller General of the United States shall, not less frequently than once each 6 months, detail employees of the General Accounting Office to make an on-the-spot audit of all receipts and disbursements pertaining to the fiscal records of such Office of the Sergeant at Arms. The Comptroller General shall report to the Speaker and Sergeant at Arms of the House of Representatives the results of each such audit.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. MARTIN of Massachusetts. I understand that this has been done for the last 2 years. What change is made by the present resolution?

Mrs. NORTON. I do not believe there is any particular change except that the Sergeant at Arms would like to have the audit authorized by law.

Mr. MARTIN of Massachusetts. He would prefer to have this authority to have the books audited, rather than by his individual request?

Mrs. NORTON. That is correct. He thinks it should be authorized by law because he handles a great amount of money and would like to have that protection.

Mr. MARTIN of Massachusetts. Of course, I am certainly in favor of the resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution, House Concurrent Resolution 52, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 1,000,000 additional copies each of the publications of the Committee on Un-American Activities entitled "One Hundred Things You Should Know About Communism in the United States of America," "One Hundred Things You Should Know About Communism and Religion," as amended, "One Hundred Things You Should Know About Communism and Education," "One Hundred Things You Should Know About Communism and Labor," and "One Hundred Things You Should Know About Communism and Government": *Provided*, That the above-named publications be printed in 1 volume, of which 900,000 copies shall be for the use of the Committee on Un-American Activities of the House of Representatives and 100,000 copies shall be for the House document room; be it further

Resolved, That there be printed 1,000,000 additional copies of the publication of the Committee on Un-American Activities entitled "Spotlight on Spies," of which 900,000 copies shall be for the use of the Committee on Un-American Activities of the House of Representatives and 100,000 copies shall be for the House document room.

With the following committee amendments:

Page 1, line 2, strike out "one million" and insert "two hundred and fifty thousand" in lieu thereof.

Page 1, line 12, strike out "nine hundred thousand" and insert "one hundred and twenty-five thousand" in lieu thereof.

Page 2, line 2, strike out "one hundred thousand" and insert "one hundred and twenty-five thousand" in lieu thereof.

Page 2, line 3, strike out the word "document" and insert the word "folding" in lieu thereof.

Page 2, line 4, strike out "one million" and insert "two hundred and fifty thousand" in lieu thereof.

Page 2, line 6, strike out "nine hundred thousand" and insert "one hundred and twenty-five thousand" in lieu thereof.

Page 2, line 9, strike out "one hundred thousand" and insert "one hundred and twenty-five thousand."

Page 2 line 9, strike out the word "document" and insert the word "folding" in lieu thereof.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. HOFFMAN of Michigan. How many of these will be available to the Members of Congress?

Mrs. NORTON. Seventy-five thousand.

Mr. HAYS of Ohio. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. HAYS of Ohio. This resolution was amended in committee to make 125,000 available to Members of Congress and 125,000 available to the Committee on Un-American Activities.

Mr. LECOMPTE. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. LECOMPTE. The original resolution called for 1,000,000 copies of 4 documents, bound into 1 volume, and 1,000,000 copies of another document. The committee reduced the number of each to 250,000, and provided that the committee would have at its disposal one-half of the 250,000 of each publication, and the balance would be distributed through the folding room, pro rata, to the Members of the House. Is that not correct?

Mrs. NORTON. That is correct. A great many publications are not used, and your committee felt that it would be in the interest of economy to print if and when necessary, rather than to have perhaps a 1,000 copies not used. This has been true in the case of a great many printed publications.

Mr. LECOMPTE. If the gentlewoman will yield, I might answer the gentleman from Michigan that the resolution is amended so that the documents provided for the Members of the House are distributed through the folding room, so that each Member will get an equal number.

Mrs. NORTON. That is true. I thank the gentleman.

The committee amendments were agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MONUMENT TO MOHANDAS K. GANDHI

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the consideration of House Joint Resolution 295, to erect a memorial to the memory of Mohandas K. Gandhi.

This resolution has the approval of the State Department and the Fine Arts Commission and the National Park and Planning Commission. The cost of construction and maintenance is to be upheld by the India League of America, so it will not cost this country anything.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read the resolution, as follows:

Whereas India's greatest leader, Mohandas K. Gandhi, has met the martyr's death; and

Whereas the beloved Gandhi throughout his life had brought to the people of India and peoples everywhere the meaning of a selfless devotion to peace, and with it the gift of his own unbounded spiritual wealth; and

Whereas Mohandas Gandhi's uncompromisable strength led India to the independence for which it had sorely struggled; and

Whereas the impact of his personality upon history is undeniable; and

Whereas in consideration of the cordial relations existing between the people of the United States and the people of India, and in the hope that a memorial to his memory in the United States may further those cordial cultural and spiritual relations between these two countries, and in the further hope that such a memorial will awaken and keep alive in people everywhere the sense of their individual dignity and independence as well as an abhorrence for civil, religious, and communal strife anywhere: Now, therefore, be it

Resolved, etc., That authority is hereby granted to the India League of America, or any other organization which may be organized for this purpose, to erect, within 5 years from the date of the approval of this resolution, a memorial testifying to the wisdom and leadership of Mohandas K. Gandhi, as philosopher and statesman, in the city of Washington, on such grounds as may be designated by the Fine Arts Commission, subject to the approval of the Joint Committee on the Library. The model of the memorial so to be erected shall be first approved by the said Commission and by the Joint Committee on the Library, the same to be presented to the people of the United States without cost to the Government of the United States: *Provided*, That the cost of custodian maintenance of the edifice contemplated by this act will be borne perpetually by the organization undertaking its original construction.

Mr. HAYS of Ohio. Mr. Speaker, I reserve the right to object.

Anticipating the question of the gentleman from Pennsylvania, I may say that this memorial will not cost the Government of the United States anything, either to construct or to maintain after it is constructed.

Mr. RICH. Who is going to maintain it?

Mr. HAYS of Ohio. The people who are going to build it, the India League.

Mr. RICH. What is this for? Explain it; we could hardly hear. What do we want Gandhi over here for?

Mr. HAYS of Ohio. As I understand it, they are not to bring the remains of the gentleman to the United States; they are merely going to construct a memorial to his memory. The State Department is anxious and willing to have it done because they think it will promote better international relations. The India League is going to construct the memorial and maintain it after it is constructed on a site selected by the Fine Arts Commission.

Mr. RICH. Will he have his toga on or will he be sitting on his heels?

Mr. HAYS of Ohio. That will be up to the Fine Arts Commission, I imagine.

Mr. BROWN of Ohio. Further reserving the right to object, I merely wish to suggest to the sponsors of the resolution that the gentleman from Pennsylvania [Mr. RICH] is known as a very generous and very charitable man. I hope that he will be as easily approached to become the first contributor to this very desirable project.

Mr. RICH. Let me say in answer to the gentleman, Mr. Speaker, that I would rather spend my own money to help it than to tax my people back home for it.

Mr. HAYS of Ohio. That is exactly what they are going to do. Spend their own money. No one will be taxed.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, your committee has held several hearings, and has conducted numerous discussions on this resolution to memorialize Gandhi. It was introduced originally early in 1948, shortly after the great Indian leader was assassinated.

The gentleman from New York [Mr. CELLER] reintroduced it in the Eighty-first Congress, in the form of a simple House resolution. All hearings and correspondence on the measure were directed toward House Resolution 460, Eightieth Congress, and House Resolution 13, Eighty-first Congress. Letters came in from scholars, authors, historians, and various celebrated people, all urging favorable consideration.

The gentleman from Illinois, Hon. C. W. BISHOP, then chairman of the Library Subcommittee, called hearings for April 5, 1948, at which the gentleman from New York [Mr. CELLER] made his representation in person and was supported by other Members of the House, including Hon. KARL MUNDT, and the gentleman from Pennsylvania, Hon. JAMES FULTON. Mr. J. J. Singh, president of the India League of America, also presented a statement in person, and the Department of State was represented by Raymond Hare, then Chief of the Division of South Asian Affairs.

Subsequent hearings were held by the gentleman from Texas, Hon. KEN REGAN, subcommittee chairman, on June 22, 1949, when most of the above people returned, plus official expression from the Commission of Fine Arts, delivered by one of the commissioners, Frederick V. Murphy. He was accompanied by H. P. Caemmerer, secretary to the Commission.

Certain changes were made in the resolution as it then was composed, and these were incorporated in an entirely new bill, House Joint Resolution 295, which is the bill now reported out by your committee.

The Commission of Fine Arts, the National Capital Park and Planning Commission, and the Department of State, are all in favor of the enactment of the proposed legislation.

The report from the Secretary of State on the Gandhi memorial resolution is as follows:

JUNE 30, 1949.

Hon. KEN REGAN,
Chairman, Library Subcommittee,
House of Representatives.

MY DEAR MR. REGAN: I have received your letter of June 27, 1949, requesting my views on the merits of House Resolution 13 (now H. J. Res. 295) of the Eighty-first Congress, a resolution to erect a monument to the memory of Mohandas K. Gandhi.

This resolution represents a constructive and appropriate approach to the commemoration of a great man of peace whose impact upon history as stated in the resolution is indeed undeniable. The erection of a suitable monument to Mohandas K. Gandhi in the National Capital of the United States paid for by individual subscriptions would make a definite contribution to the genuine friendliness which already exists between the people of the United States and the people of India.

Sincerely yours,

DEAN ACHESON.

The SPEAKER. The question is on the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTINUATION OF ETHNOLOGICAL RESEARCH ON THE AMERICAN INDIAN

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration I ask unanimous consent for the present consideration of the bill (H. R. 3417) to provide for the cooperation by the Smithsonian Institution with State educational and scientific organizations of the United States for continuing ethnological researches on the American Indian, approved April 10, 1928, and for other purposes.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is this a privileged resolution?

The SPEAKER. It is not.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians," approved April 10, 1928, is amended by deleting in the first section thereof the words "for continuing ethnological" and inserting in lieu thereof the words "to continue independently or in cooperation anthropological," and following the word "Indians" insert the words "and the natives of lands under the jurisdiction or protection of the United States;".

SEC. 2. Appropriations are hereby authorized for the maintenance of the Astrophysical Observatory and the making of solar observations at high altitudes; for repairs and alterations of buildings and grounds occupied by the Smithsonian Institution in the District of Columbia and elsewhere; and for preparation of manuscripts, drawings, and illustrations for publications.

Mrs. NORTON. Mr. Speaker, the purpose of this legislation is to give permanent statutory authorization to activities of the Smithsonian Institution which have been carried on with continuous congressional approval for upward of 70 years, to place these activities on the same legal basis which their other permanent activities have. Several years ago Congress requested the Bureau of the Budget to contact all Federal agencies who were carrying on activities with the aid of Federal appropriations without having clear-cut basic authority therefor, to advise them to submit drafts of bills proposing the requisite authorizations. This bill is in accordance with that suggestion. It will facilitate cooperative research projects in conjunction with other Federal agencies who desire to utilize the Institution's services, and to prevent points of order being raised against these nonstatutory activities during the consideration of appropriations for their support.

Enactment of this legislation will involve no increase in current appropriations. On May 3, 1949, the Bureau of the Budget cleared a justification report from the Smithsonian Institution to your committee, and further stated that this measure is in accord with the program of the President.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ONE HUNDREDTH ANNIVERSARY OF THE BUILDING OF THE SOO LOCKS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the present consideration of the bill, H. R. 5188, to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, may I ask the gentlewoman from New Jersey if this is something for Michigan?

Mrs. NORTON. It is.

Mr. HOFFMAN of Michigan. It is so unusual that I will not object to it.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby created a commission to be known as the Soo Locks Centennial Celebration Commission (hereinafter referred to as the "Commission") and to be composed of nine Commissioners to be appointed by the President. The Commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. (a) It shall be the duty of the Commission to prepare a comprehensive plan for the celebration in the year 1955 of the one hundredth anniversary of the building of the Soo locks.

(b) The Commission shall make a report of its progress to the President at least twice a year, and shall submit to the President prior to the beginning of the celebration a final report setting forth the plan prepared pursuant to subsection (a) of this section and containing such recommendations for carrying out such plan as it deems advisable. The Commission shall cease to exist 30 days after the date of the submission of the final report.

Mrs. NORTON. Mr. Speaker, this bill proposes to create a commission, the duties of which will be to prepare a comprehensive plan for the celebration in 1955 of the one hundredth anniversary of the Sault Ste. Marie locks, popularly known as the Soo locks.

The Commission is to be composed of nine Commissioners, appointed by the President; they shall serve without compensation and shall select from among their number a chairman.

The first Sault lock was built in 1855; the first ship through the locks was the *Illinois*, piloted by Capt. Jack Wilson, on June 18, 1855. The first of 3,000,000,000 tons of iron ore which have since moved through the locks came down the St. Marys River in the brig *Columbia* on August 17, 1855.

More tonnage passes through the Soo locks each year than through the Panama Canal and the Suez Canal combined, a great bulk of it being transported on ships and barges which never visit the open sea. This record is also achieved on a 9-month working basis. A force of approximately 250 Federal employees working under the supervision of the United States Corps of Engineers operates the locks.

The State of Michigan has already appointed a Soo Locks Centennial Commission, pending appropriate congressional action. The main purpose of creating authority for a President-approved Commission is to match the contemplated action being instituted in the Canadian Parliament to create a similar body to function in international harmony in this celebration of an event which meant so much to both Canada and the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial and an article from the International Teamster on the economic conditions of the country.

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. HERLONG asked and was given permission to extend his remarks in the RECORD and include an article.

SPECIAL ORDER GRANTED

Mr. LANE asked and was given permission to address the House for 15 minutes today, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

ONE THOMAS DEWEY COMES OUT FOR BRANNAN PLAN

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Speaker, it is indeed with great pleasure and satisfaction that I announce to my colleagues here today that one Thomas Dewey yesterday gave complete endorsement and pledged his full support to the Brannan plan. He said, in substance, that farmers should be guaranteed the same proportion of the national income as they receive on the average over the preceding years; that he endorsed proposed crop loans on storables to support prices at income-parity levels; that he favored direct Government payments to farmers of the difference between market price and support price on storables like dairy products, fruits, and livestock; that nonstorables be sold on open market to consumers, instead of attempting storage as has been done in the past with eggs, potatoes, and so forth; that price supports should be given to the first $25,000 of gross farm income only and beyond that limit no supports should be given; and that acreage allotments, marketing quotas and marketing agreements should be put into effect when necessary to maintain balanced parity-income levels.

To communicate this information to me, he used a splendid farmer's ballot provided by labor.

Oh, yes; I forgot to tell you that this Thomas Dewey does not hole in on week ends at Pawling, N. Y., but lives at Douglas, Otoe County, Nebr. He is a real dirt farmer.

COMMITTEE ON VETERANS' AFFAIRS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that I may have until 12 o'clock tonight to file a report on a bill reported by the Committee on Veterans' Affairs yesterday and also to file application for a rule.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MILWAUKEE SOLVES RACIAL DISCRIMINATION PROBLEM WITHOUT RIOTS

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include certain newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Speaker, last week a very bad situation nearly developed in my home city of Milwaukee. An ambitious young Negro lad, a veteran of World War II, who wanted to attend one of our institutions of higher learning, arrived in our city with his family in a trailer. He was assigned by the Veterans' Referral Service to the county trailer camp. Some misguided people who ought to know better virtually drove that lad and his family out of the trailer camp.

The next day the mayor's commission on human rights, the Governor's commission on human rights, the district attorney, and the sheriff all went into action. I am happy to report that man is back in the trailer camp. Meetings have been held and in a very sound manner the laws of Wisconsin have been explained to all the people involved.

I think Milwaukee successfully solved by good citizen and official action what might have been a very nasty racial situation. We are proud of the way things are handled in Wisconsin. We are proud of splendid American citizens like Bruno Bitker, James Dorsey, Father Franklyn Kennedy, Father Claude Heithaus, Christ Seraphim, Dr. A. A. Suppan, John Murphy, William U. Kelley, Robert C. L. George, the Reverend Norman Ream, Glenn Clarke, Otto Jirikowic, District Attorney William McCauley, and Sheriff Herman Kubiak whose timely action in this situation proved that racial tension can be solved through firmness and understanding and that there is no need for the riots which have developed in some cities.

I am inserting an editorial and three stories from the Milwaukee Journal which tell the story in its entirety and point up the lesson of this incident:

[From the Milwaukee (Wis.) Journal of July 13, 1949]

"A MIRACLE HAS OCCURRED"

It happened in Milwaukee. As the chairman of the Governor's commission on human rights said: "A kind of miracle has occurred."

It seems like that, all right.

A few days ago, an educated and ambitious young Negro war veteran arrived in town with his own trailer and was assigned a place in a county trailer camp. He wanted further to improve himself in a local technical school. His wife and two children were with him.

Immediately ugly race prejudice raised its head and Milwaukee had a threatening race crisis on its hands. A crowd of trailer-camp residents wanted to force the Negro family out.

It looked bad for a while. There were threats of violence. One couldn't forget what had just occurred in St. Louis and Youngstown at the bathing places.

But what happened in Milwaukee?

The mayor's and the Governor's commissions on human rights instantly stepped in to do what they could. The district attorney carefully explained the law. The sheriff, without a moment's hesitation, said he would enforce it—equal rights for Negro and white alike—if it took every deputy he had. Businessmen, lawyers, and religious leaders—of different faiths and sects and colors—all worked many weary hours to reason with the troublemakers and to ask for basic American fairness.

From the first instant that the crisis arose, there were these two forces to combat the prejudice—firmness and democratic reasoning. The Negro war veteran and his wife helped immeasurably by keeping their heads and their tempers even under great provocation.

Agitators were recognized quickly and kept from stirring muddy waters.

Finally tensions began to ease. Some of the most violent spokesmen against the Negroes began to understand the law; they began to understand what the spokesmen for the human rights commissions were talking about; they began to see that the Negro veteran family were pretty decent folks in a tough spot.

And they began to realize that the main things that were eating them were some gripes about the Greenfield trailer camp that had nothing to do with the color of Albert J. Sanders, his wife, and children.

So Tuesday the miracle occurred. Those who had opposed Sanders most strongly apologized to him. They shook hands. He did his part, too. "I'm sorry all this happened," Sanders said. "Some just misunderstood."

It's a happy ending—a very happy ending, indeed.

Milwaukee can well hold up its head. And it can be proud of the many persons who labored through the discouraging early hours to wipe out a short-lived blot on the name of Milwaukee and Wisconsin.

[From the Milwaukee (Wis.) Journal of July 8, 1949]

OUSTED NEGRO FAMILY DECIDES TO GO BACK TO TRAILER CAMP SITE—GIVEN PLEDGE OF PROTECTION—SHERIFF PROMISES AID AFTER DISTURBANCE AT GREENFIELD SITE

A Negro veteran who moved out of the Greenfield trailer camp with his family Thursday after a demonstration by more than 100 residents of the camp, decided Friday to go back.

The veteran, Albert J. Sanders, 29, who was born in the Philippines, made his decision in the office of District Attorney William J. McCauley. McCauley and representatives of groups fighting racial prejudice, who had called on McCauley to demand an investigation of Sanders' eviction, urged him to take his family back to the camp.

Sanders, his wife, Rogelia, 27; their sons, Malayo, 5, and Rogelio, 3, and Sanders' mother, Bertha, 60, moved out of the camp Thursday night, less than 12 hours after their arrival. They slept in their car overnight in Greenfield Park, a half mile west of the trailer camp.

TELLS OF THREATS

The demonstrators were dispersed by sheriff's deputies. The deputies estimated the number of demonstrators at 125, although onlookers said there were about 200.

The demonstration followed a meeting at which a petition declaring that the Negro should not be permitted in a white camp was circulated. More than 70 persons had signed the petition.

Sanders told McCauley that the demonstrators had threatened: "If you stay here, we'll break up your car. We'll hurt you and your wife, and your children, too."

Sanders said he left the camp because of his wife's fears that the threats would be carried out.

Mrs. Sanders said that during the trouble two women were awfully nice to her.

CHILDREN MADE REMARKS

"They told me, 'We want you to stay,'" Mrs. Sanders said.

Sanders said the first indication the family had that they were not wanted occurred at 6 p. m. when his two children were playing outside the trailer. Other children gathered and told the Sanders youngsters, "We don't want to play with you. Get out of here."

Sanders said he did not witness the incident, but learned of it from his mother when he returned at 6:30 p. m.

Then, about an hour later, adults came around and made threats, he said.

Sanders was reluctant to return to the camp. But he yielded when Sheriff Herman Kubiak told him:

"Go back there. You don't need to be afraid. Our department will give you constant protection."

"DUTY TO GO BACK"

Theodore Coggs, a member of the group that called on McCauley, said: "It's your duty to go back and meet this issue squarely."

He said that the Sanders family could move into his home later if conditions were unacceptable at the camp.

Before going to McCauley's office the representatives of the protesting groups had met at the Catholic Herald-Citizen offices, 793 North Jackson. The meeting, called by William V. Kelley, executive secretary of the Urban League and president of the Interracial Federation of Milwaukee County, decided on this action:

Recommend to the district attorney that he take action under the State's equal rights law, which provides a fine or imprisonment for denial of public accommodations.

Urge Sanders and his family to return and live at the trailer camp, and ask Sheriff Kubiak to assure them protection.

Call a meeting of residents of the trailer camp who believe in "American principles of equality."

WOULD EVICT PROTESTERS

The meeting was called by Kelley.

"Those who participated in the riot should be moved out of the camp," Kelley declared.

Attorney James Dorsey, a member of the Governor's commission on human rights, said the names of those who signed the petition for Sanders' removal from the camp should be given to the district attorney and sheriff for "proper action."

Others attending the meeting were the Reverend Claude H. Heithaus, S. J., of Marquette University; Father F. J. Kennedy; Coggs; Robert C. L. George; Bruno V. Bitker; Dr. A. A. Suppan; and Attorney John Murphy, legal adviser for the Milwaukee School of Engineering, where Sanders is enrolled.

BORN IN MANILA

Sanders was a cook, third class, in the Navy. He was given a medical discharge December 22, 1943. He was born in Manila and came to

the United States 10 years ago. He worked in the Navy shipyards in Florida after his discharge from the Navy. He arrived in Milwaukee about 10 days ago with his wife and sons and mother.

Shortly after his arrival he enrolled at the engineering school. However, because he had no living quarters the enrollment was held up and the school's housing bureau aided him in a search for a place to live.

His enrollment was accepted Thursday, when he was given space at the trailer camp. The camp, operated by the county at Highway 100 and West Greenfield Avenue, has 500 trailers, with a population estimated at 1,800.

Sanders, who has his own trailer, was assigned to the camp Wednesday by Eugene Grobschmidt, director of county veterans' housing. About 75 of the trailers at the camp are privately owned.

PROMISED PROTECTION

Sanders and his family moved into the camp at 11 a. m. Thursday. The circulation of the petition was started in the afternoon.

The meeting that preceded the demonstration held in building B was orderly. Afterward most of the crowd moved over to Sanders' trailer.

Sheriff Kubiak said Friday that Lloyd Rhodes and Eugene Michalski, the first two deputies to arrive, and Lt. Claire De Voll, who arrived later, had talked to Sanders and told him they would see that he met with no harm if he remained at the camp.

Kubiak said the incident supported his recent request to the county board for additional deputies to patrol the camp area. He said the reports of the deputies concerning the demonstration indicated that there were "four fellows who were the cause of the trouble."

A veterans' group at the camp Friday was circulating a petition urging the Sanders family to remain. Twelve signatures were obtained within a few minutes, one of the circulators said.

[From the Milwaukee (Wis.) Journal of July 9, 1949]

NEGROES STAY AT CAMP AFTER UNRULY MEETING—BOTH SIDES GREETED BY DISAPPROVAL AS TRAILERITES LISTEN TO TALKS ON HUMAN RIGHTS

The family of Albert J. Sanders, Negro war veteran, slept in its Greenfield trailer camp home Friday night. Outside, six deputies stood guard. Earlier 65 deputies had been on hand at the camp as an unruly meeting was held to discuss the Sanders' presence there.

Sanders, 29, who was born in the Philippines, had moved with his family from the camp Thursday after a demonstration by more than 100 camp residents. He told authorities that the demonstrators had threatened harm to himself, his wife, Rogelia, 27, and their children, Malayo, 5, and Rogelia, 3.

Public officials and representatives of groups fighting racial prejudice prevailed upon him to return Friday.

About 400 of the camp's 1,800 trailer residents attended the meeting which was held at the camp's open-air theater. The meeting had been called by members of the Governor's and mayor's commissions on human rights.

DISAPPROVE BOTH SIDES

Shouts of disapproval frequently interrupted speakers who warned against racial prejudice. But there were boos, too, for several of the trailerites who vehemently protested the presence of the Sanders family in the camp.

Before the meeting and long afterward the arguments continued among small groups which gathered in various sections of the camp. One such argument lasted until after midnight in the camp office where a few of the more vocal demonstrators berated Eugene Grobschmidt, Red Cross housing director, who had authorized Sanders to move into the camp.

Speakers at the meeting included Bruno V. Bitker, Father Claude Heithaus, S. J., and Father Franklyn J. Kennedy, members of the Governor's and mayor's commissions; the Reverend Norman Ream, president of the Milwaukee Ministerial Association; Glenn Clarke, representing the CIO county council; Otto Jirikowic, of the AFL; and Christ T. Seraphim, county commander of the American Legion.

BETRAY CHRISTIANITY

"Those who instigate intolerance are betraying the principles of Christianity," Father Heithaus said. He had come with the Sanders family to the camp early Friday afternon and had remained with them in their trailer in the hours preceding the meeting.

Bitker said "all decent citizens of Milwaukee were disturbed by the treatment of the Sanders family Thursday night." Seraphim called the conduct of some of the camp residents un-American.

Three trailerites said that they had been named spokesmen for the opposition. They were Russell Waypa, Thomas Callahan, and Doyle Esterline.

Waypa and Callahan and Joseph Susedik, another camp resident who spoke frequently throughout the evening, urged the removal of the Sanders family.

CALLS FOR VOTE

Waypa several times called for a voice vote on whether Sanders should remain.

"This is democracy; the majority rules," he cried as "No" was shouted by many in the crowd.

"Throw 'em out," some women yelled despite the presence of the deputies.

"This is only the beginning," Callahan said. "Next week we'll have two Negro families and the week after, four."

"We had segregation in the service," Susedik said, "why can't we have it here?"

He demanded that a poll be taken of every trailer resident and that the county abide by that vote.

COMMUNIST ATTENDS

Mrs. Josephine Nordstrand, executive secretary of the Wisconsin Civil Rights Congress and a Communist, attempted repeatedly to get to the microphone. Bitker and deputies prevented her. She finally was escorted from the camp by deputies, shouting about Jim Crowism and a police state.

Rain dispersed a large part of the crowd about 10:30 p. m.

Deputies continued to guard the Sanders' home Saturday. Sheriff Herman Kubiak said that his men would be stationed there continually, if necessary, to prevent a recurrence of Thursday's incident.

[From the Milwaukee (Wis.) Journal of July 12, 1949

APOLOGIES END OUTBURST OF RACIAL ROW IN CAMP—EIGHT TRAILER RESIDENTS REGRET DEMONSTRATION AGAINST NEGRO FAMILY, WORK FOR HARMONY

Public apologies from eight residents of the Greenfield trailer camp were accepted Tuesday by Albert J. Sanders, the 29-year-old Negro war veteran who, with his family, was the target of racial demonstrations at the camp last week.

The apologies were made in the office of District Attorney William J. McCauley, in the presence of McCauley, Sanders, Sheriff Herman Kubiak, and the members of the mayor's and Governor's commissions on human rights. The commission members, who also represented several Milwaukee groups interested in racial harmony, had been working since the issue developed last Thursday to win over persons opposed to letting the Sanders family live at the camp.

HAILS "MINOR MIRACLE"

After the apologies had been heard, Attorney Bruno V. Bitker, of the Governor's commission commented: "A kind of minor miracle has occurred."

"I'm sorry all this happened," Sanders said. "I know we have good people in the camp. Some just misunderstood. I think that is why it happened—they misunderstood."

McCauley asked him whether he was any longer afraid to live at the camp.

"No; no longer," Sanders said.

The eight tenants had been invited to McCauley's office Tuesday morning after they had privately told commission members that they were sorry for what had happened. They said they now wanted to help Sanders establish himself at the camp. The group included several persons who had been ringleaders in the disturbance through an emergency committee which was formed after Sanders' arrival at the camp last Thursday.

OUTLET FOR "GRIPES"

Joseph Susedik was the first to express remorse. He explained that in the Army, in which he served from 1940 to 1944, and in the New Jersey town where he previously lived, segregation had been the rule. He pointed out that camp residents had a number of "gripes" over sanitary conditions.

"A lot of gripes came to a head with this little incident," Susedik said. "I was angry. I didn't realize that the Sanders had a right to be there."

Susedik said that many of his previous statements had been made as spokesman for the emergency committee.

"I won't say that my views were any different under the stress of anger," he said. "After I got to thinking it over I realized how wrong I was. I feel they are due an apology. I'm not a Communist. I'm not a Ku Kluxer. I'm just a plain American citizen who happened to let a few things go to my head that weren't so."

CHANGE OF SENTIMENT

Susedik told McCauley that he believed 90 percent of the camp residents, after mature reflection, felt differently now than they did when the issue first flared. He said that many of them did not know about the laws guaranteeing equal rights to all people. He has been telling them about these Federal and State laws, he said.

"I've told them that the Negroes have been free now for about 90 years, and it's about time we made them feel free."

Susedik said he believed a lot of the trouble was stirred up deliberately "somehow" and added "apparently we've got a few Communists out there." He said that anger had been intensified the first night by the appearance of "a woman who had no right to be there." He told McCauley he was referring to Mrs. Josephine Nordstrand, executive secretary of the Wisconsin Civil Rights Congress, a Communist-front group.

Susedik also had a suggestion for future occasions when Negroes might be admitted to other similar camps. He proposed that he and others from the Greenfield camp talk to the Negro newcomers and the residents to explain the laws.

"That's the way to handle something like this," he said, "Don't do like they did in Washington, D. C. We read about a race riot there and the next day it was quelled. Did anybody learn anything from that?"

Mrs. Fay Farrell explained that she and many of the other women in the camp had never lived with Negroes before and were afraid. She said that she began to think things over Sunday and on Monday went to Susedik to tell him she was resigning from the emergency committee. He told her that he felt the same way, she said, so they went to see Father Franklyn J. Kennedy of the mayor's commission. She said that she had

been talking to other residents to make them see her point of view.

SIX OTHERS CALLED

Susedik and Mrs. Farrell were the first to apologize. When the other six were called into the room, McCauley told them all:

"You are here by the grace of an invitation rather than the patrol wagon. You were all about to be arrested. You put these commissions and this office to a lot of trouble by your attitude."

He asked if the rest had anything to say. These are their statements:

Warner Stein: "We're sorry. The camp has found out that Sanders is a mighty good fellow, better than many of us."

Thomas Callahan: "After I knew of the laws, I decided Sanders had the right and I realized that we did an injustice. I'm very sorry it happened."

Russell Waypa: "I apologize to Sanders and the commissions. I realize now Sanders has the right to live anywhere he chooses."

Lester Geisler: "I was ignorant of the law. I owe them an apology, too."

Doyle Esterline: "It seems it was all done in a fit of rage. Sanders and the rest of the Negro race are as welcome to live with us as anyone."

William Jenson said that he was not one of the group that had opposed Sanders. Then he added, "I'm sorry for the camp that it happened. Outsiders, I think, made most of the trouble."

Then Father Claude H. Heithaus, member of the mayor's commission, told them: "I hope you people will go back and counteract what has happened. Do your best to build up good neighborliness for the Sanders family."

BLOT WIPED OUT

"I already said that's what we'd do," said Susedik.

Speaking for the Governor's commission, Bitker and Father Kennedy said that the group, by its public apology, had "wiped out a short-lived blot on the good name of the State of Wisconsin."

It was disclosed at the meeting that Mrs. Sanders had been taken by county ambulance to the county general hospital Monday night for treatment of an old illness. She had been operated on in Habana, Cuba, 3 months ago. Her condition was reported to be good Tuesday.

The Sanders family has two children.

THE HOUSING ACT OF 1949

Mr. DOLLINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOLLINGER. Mr. Speaker, when this House had under consideration H. R. 4009, the Housing Act of 1949, two amendments submitted by Members in substance provided that there shall be no discrimination against any person under the provisions of the act. Although both amendments were defeated, 130 votes were cast for one, and 122 for the other. Many other Members indicated that they opposed discrimination.

Now that the Housing Act is passed, I feel that those of us who are opposed to such discrimination should have an opportunity to act.

On January 18, 1949, I introduced H. R. 1641, which provides that Federal funds shall not be used for housing where there is discrimination on account of race, religion, color, ancestry, or national origin.

I have this day placed on the Speaker's desk a discharge petition to bring H. R. 1641 before this House for consideration. I ask those who are opposed to discrimination to join with me in affixing their signatures to this petition in order that the bill may be brought before this body for action.

EXTENSION OF REMARKS

Mr. MULTER. Mr. Speaker, on yesterday I was given permission to extend my remarks in the RECORD and include an article. I have been informed by the Public Printer that this will exceed two pages of the RECORD and will cost $280, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. SASSCER asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. HOWELL asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WALTER asked and was given permission to extend his remarks in the RECORD.

Mr. HAYS of Ohio asked and was given permission to extend his remarks in the RECORD in two instances and include in each a newspaper editorial.

AUTHORIZING THE SECRETARY OF THE ARMY TO CONVEY CERTAIN LANDS TO THE CITY AND COUNTY OF SAN FRANCISCO

Mr. HAVENNER. Mr. Speaker, by direction of the Committee on Armed Services, I ask unanimous consent for the immediate consideration of the bill (S. 863) authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I understand the nature of this bill, but will the gentleman explain it so that the Members will be advised as to what the purpose is?

Mr. HAVENNER. Mr. Speaker, with the consent of the majority and minority leadership on Wednesday of last week I obtained passage under suspension of the rules for a companion bill which provided for exactly what this bill will provide, that is, for the transfer of the old Palace of Fine Arts Building of San Francisco back to the city of San Francisco.

Mr. MARTIN of Massachusetts. Mr. Speaker, further reserving the right to object, this simply reiterates what we have previously done.

Mr. HAVENNER. That is right. This is a companion bill passed by the Senate, and I ask for its passage by the House at this time.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed to convey by quitclaim deed to the city and county of San Francisco, subject to the conditions provided for in section 2 of this act, the following-described land in the city and county of San Francisco, State of California, together with all improvements thereon, included within metes and bounds as follows:

Commencing at a point on the westerly line of Lyon Street, distant thereon five and seventeen one-hundredths feet southerly from the northerly line of Bay Street, if extended and produced westerly, and running thence northerly along the westerly line of Lyon Street one thousand one hundred and ninety-six and eighty one-hundredths feet; thence southwesterly on a curve to the left of six hundred and twelve feet radius, central angle one hundred and fifty-five degrees forty-seven minutes and fifty seconds, tangent to a line deflected one hundred and two degrees six minutes and five seconds to the left from the preceding course a distance of one thousand six hundred and sixty-four and thirteen one-hundredths feet to the westerly line of Lyon Street and the point of commencement, containing nine and ninety-three one-hundredths acres, more or less.

SEC. 2. The deed of conveyance authorized by the first section shall provide that the grantee—

(1) shall not hereafter amend or rescind Ordinance No. 7531 (new series) duly passed by the board of supervisors of such city and county (permitting the United States to construct, maintain, and operate in perpetuity a spur track railroad);

(2) shall convey to the United States perpetual rights of ingress and egress across the property as now enjoyed by the United States;

(3) shall permit the use of the main building situated on the property described in section 1 of this act by the State of California for National Guard purposes.

In the event that the grantee shall fail to conform to such conditions, the deed of conveyance shall cease to be of force and effect and all rights enjoyed by the United States prior to the enactment of this act shall again accrue to the United States: *Provided*, That such permission shall not be effective until the Governor of the State of California shall certify in writing to the Secretary of Defense that such land is needed by the State of California for the purpose of a site for a National Guard Armory and for training the National Guard or for other related military purposes and that such land is suitable for such purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. WALSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. WALSH addressed the House. His remarks appear in the Appendix.]

PRESIDENT TRUMAN AND THE NEW DEAL

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, in his radio address last evening President Truman confirmed to the country that the

basic policy of the Democrat-New Deal Party which he heads is to spend and continue to spend.

He made it clear that he will continue to resist any attempt to cut the cost of Government. The burden of his argument to justify his extravagance is that to cut Government expenditures now would add to the downward trend of our economy and increase unemployment.

According to this administration high Government spending is necessary in a period of deflation. That is the same pump-priming doctrine advocated by the New Deal as a cure for the depression.

But, Mr. Speaker, let me remind you that during the period of inflation, when prices were rising and employment was at an all-time high, this same administration then resisted every effort of the economy-minded Eightieth Congress to reduce Government expenditures.

And so, inflation or deflation, full employment or unemployment, rising prices or falling prices, whatever our economic condition, the Truman administration preaches the policy of spend and spend. To the Democrat-New Dealers there is nothing more sacred than their huge spending budgets. Under no circumstances, last year or this, inflation or deflation, then or now—under no circumstances should anyone seek to economize. I do not accept such inconsistent, insane doctrine, nor do the great majority of the American people.

SPENDING

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Listen, my colleagues. If you want to have prosperity you must spend more than you make. Yes; you must do that. If you do not, you might not get on the Government security rolls when you get old. In other words, never slash your expenditures when your income falls. That is the new philosophy the President gave to the country by radio last night. It must have been a shock to some of the folks who have always felt that they ought to save a little for a rainy day, but you dare not do that if you are going to have prosperity in this country. Thrifty families and individuals, when they find their incomes falling, always cut their expenditures. They get along without things they might like to have but cannot afford. Government ought to do the same. The President has the philosophy that you must spend more, not less. If followed it means bankruptcy for this country.

EXTENSION OF REMARKS

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. MILLER of Maryland asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include two articles by Robert Hillyer.

Mr. KEARNEY asked and was given permission to extend his remarks in the RECORD in two instances and include two editorials.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and in each case to include extraneous matter.

CONFERENCE REPORT ON STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, 1950

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report and statement on the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a table showing the amount of money received and spent since 1914 by the Federal Government.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. RICH addressed the House. His remarks appear in the Appendix.]

TAX RETURNS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was was no objection.

Mr. REED of New York. Mr. Speaker, under our present tax laws the Federal income tax returns of all fiduciaries, partnerships and corporations, as well as many other types of returns, including estate and gift tax returns, must be filed under oath and, therefore, must be notarized by a notary upublic. The Treasury Department has recommended that this oath requirement of these returns be eliminated and instead that these returns be made under the penalties of perjury, as is now the law in the case of all individual and employment tax returns. I have introduced a bill to accomplish this purpose, H. R. 5633.

This bill does not, of course, involve any question of tax liability. Its purpose is to expedite the processing by the Internal Revenue Bureau of tax returns, many of which now have to be returned by the Bureau to the taxpayers for compliance with the oath requirement at a considerable expense to the Bureau. The elimination of this notarization requirement and the use of the verification form is therefore directly in line with the Congress' policy of eliminating all unnecessary administrative expenses in the executive departments.

Moreover, not only does this legislation have the approval of the Treasury Department, but it has been actively urged by all persons and organizations who prepare tax returns and who are under the burden and expense of having these returns notarized.

The effect of my bill, which gives the Commissioner of Internal Revenue authority to dispense with the oath requirement and substitute the verification form as he deems advisable, is similar to a provision which unanimously passed the House in the Eightieth Congress but which the Senate did not have time to act upon before adjournment.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he made yesterday on the so-called Poage bill and include therein a table and a letter from the Administrator.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD in two instances: in one to include an editorial, and in the other to include a newspaper article.

Mr. JONAS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SIMPSON of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a table from the Bureau of Agricultural Economics.

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. JACKSON of California asked and was given permission to extend his remarks in the RECORD and include three articles.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

FARM LEGISLATION

Mr. PACE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Speaker, I feel some obligation to keep the House advised of the situation with regard to farm legislation. The Committee on Rules has granted a rule making in order a bill introduced by the gentleman from Tennessee [Mr. GORE]. The bill is H. R. 5716. Of course, I hope the bill will not be approved by the House. But my purpose now is to caution you before you obligate yourselves too much to support that bill, please insist that it be substantially amended. As the Gore bill stands today it would continue the 90-percent support provided in title I of the Aiken bill and at the same time it would put into effect title II of the Aiken bill.

Therefore, on January 1, 1950, you would have two entirely different support programs, one provided in title I of the Aiken bill and the other provided in title II, and with it the complete authorization of the entire production payment plan as requested by the Secretary of Agriculture. It would be an unfortunate situation if it should be enacted in that form.

FARM LEGISLATION

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I have just heard the gentleman from Georgia [Mr. PACE] give his views on a rule reported by the Committee on Rules. I have not seen the printed copy of the rule this morning, but it was the intent and purpose of the Committee on Rules to report a rule which would make in order the so-called Gore bill. The Gore bill as it was presented to our committee would continue title I, but would postpone the effective date of other portions of the so-called Aiken bill until January 1, 1951.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. I have just checked with the bill clerk and the typographical error referred to by the gentleman from Georgia is being corrected. I have the original working copy before me. He has put in a stop order on the printing of the copies. There is a typographical error. According to my original working copy, the error is a printer's error. It should be "303" instead of "203."

Mr. BROWN of Ohio. Then the statement of the gentleman from Georgia is based on a misunderstanding because of the printing error. The fact is that the effective date of the Aiken bill is postponed for 1 year by your bill?

Mr. GORE. Yes.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. PACE. I am not familiar with the matter of a typographical error, but the bill, as introduced, and for which a rule was granted by the Rules Committee, will put into effect the Aiken bill and title I.

The SPEAKER. The time of the gentleman from Ohio [Mr. BROWN] has expired.

EXTENSION OF REMARKS

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include a statement.

THE PRESIDENT'S ADDRESS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include some newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, a few minutes ago the gentleman from Pennsylvania [Mr. RICH] said that he did not know what to say. Then, later on, he said that after he heard the President's speech he could not sleep the entire night. As a matter of fact, he stated that he awakened at 5 a. m. and could not sleep. Perhaps the gentleman was upset because he heard the President recommend so many constructive things relative to bringing about the general improvement of business and other conditions.

Mr. RICH. I will answer the gentleman. I was afraid that I would use words that would not be allowed in the Chamber.

The SPEAKER. The time of the gentleman from Illinois [Mr. SABATH] has expired.

THE AGRICULTURAL BILL

Mr. GORE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Speaker, the typographical error to which my friend from Georgia has directed attention has, fortunately, already been called to my attention. I have here a marked copy of the law from which a copy was made, but in the print that came out just a few moments ago there is an error. In section 7 the print reads "203", when it should have been "303." I have contacted the bill clerk, and he has issued a stop order on the print. A star copy will be available soon with the typographical error corrected.

Let me repeat that by my bill the present agricultural program, which is the result of 16 years of experience, will be continued for the year 1950, and the effective date of the Aiken bill will be postponed until January 1, 1951.

The SPEAKER. The time of the gentleman from Tennessee has expired.

AMENDING THE AGRICULTURAL ADJUSTMENT ACT

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 283) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, for printing in the RECORD:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideraion of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, and all points of order against the said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 6 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read, and, after the reading of the first section of such bill, it shall be in order to move to strike out all after the enacting clause and insert the text of the bill H. R. 5617, and all points of order against such amendment are hereby waived. At the conclusion of the consideration of the bill H. R. 5345, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage, without intervening motion, except one motion to recommit, with or without instructions.

OVERTIME PROVISIONS OF THE FAIR LABOR STANDARDS ACT

Mr. SABATH. Mr. Speaker, I call up House Resolution 264 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 858) to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries, with Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and the same are hereby, agreed to.

Mr. SABATH. Mr. Speaker, as chairman of the Committee on Rules, I have called up House Resolution 264, not because I favor the passage of the resolutino, but, due to certain conditions, I was obliged to report the rule.

In view of these circumstances, I feel that the gentlemen who are much more familiar with the subject matter than I am, will explain the reasons why this resolution should not be passed.

I wish to state, however, that this resolution aims to take the bill, H. R. 858, from the Speaker's table and agree to the so-called Senate amendments, which are retroactive and which I believe will again be declared unconstitutional. The other body has again gone out of its way to amend the House bill as originally passed. I feel that the House bill should have been accepted by the Senate in its original form. As I said before, I personally believe that the Senate amendment to the bill will be held unconstitutional because of its retroactive and ex post facto features. Furthermore, the Senate amendments aim to nullify the action already taken in this matter by the United States Supreme Court. I believe that the proper procedure would have been to grant a rule taking the bill from the Speaker's table and sending the bill to conference.

It will be explained by the gentleman to follow that the title of the bill, "Overtime on Overtime" is, indeed, erroneous, for this is not a bill to legalize overtime on overtime.

Mr. Speaker, I have received voluminous correspondence on this bill in the form of letters, telegrams, and post cards—to such an extent that I cannot mention all of them at the present time. They were all in opposition to the granting of this rule and to the retroactive features of this bill. I would, however, like to insert a telegram and a letter that I received, which will more clearly explain my position:

JUNE 13, 1949.

Representative ADOLPH SABATH,
Chairman, House Rules Committee,
Washington, D. C.:

We are bitterly opposed to the retroactive amendment of H. R. 858 and ask Congress of the United States to let the courts settle our claims. We know that the House originally passed a bill which contained the clause barring a retroactive amendment. We also know

that the House Labor Committee has since passed the Senate's retroactive amendment without hearing our case. The Supreme Court and other courts have ruled in our favor. The United States District Court in Puerto Rico on May 9, 1949, ruled that the shippers there did not act in good faith since June 22, 1943. Our claims are no different than the Puerto Rican longshoremen. We ask that at least the House Labor Committee hear our just cause.

LOCAL 791, INTERNATIONAL
LONGSHOREMAN'S ASSOCIATION,
NEW YORK.

I also received the following letter, among many others:

JUNE 8, 1949.

Re H. R. 858.

CONGRESSMAN SABATH: We, longshoremen and longshoremen's wives of the eastern seaboard declare that the passage of H. R. 858 would rob us of money already earned during the war as back pay. Future earnings over and above 40 hours on a time and one-half basis would be denied if this bill is passed. H. R. 858 would place the longshoremen at the mercy of the ship owners who stand for longer hours at straight pay and discrimination against Negro workers.

The Supreme Court ruled in our favor for back-pay claims, but as yet nothing has been received. The sentiment of the longshoremen is that an injustice has been done. If necessary they would tie up the water front of the eastern seaboard for the back pay sorely needed.

We know you will support our just cause and help defeat H. R. 858.

Sincerely,

Longshoremen: James Quinn, representing Pennsylvania and Houston rank and file, ILA; Emile Sacona, Local ILA 856; John Chincotta, Local ILA 808; Bill Keno, Local ILA 1199–1; Andrew Deyes, Local ILA 1199; Joseph Giordono, Local ILA 338; Longshoreman Women's Auxiliary: Elizabeth Bailey, Treasurer.

Consequently, I trust that you gentlemen will listen carefully to the speakers to follow, for they will address themselves to the underlying reasons motivating their opposition to the bill and to the rule.

I reserve the balance of my time, Mr. Speaker, and I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, House Resolution 264 has been reported by the Committee on Rules in order to permit the House to have a vote on the Senate amendments to H. R. 858. Regarding this bill we find ourselves in a peculiar parliamentary situation, and, if I may, I will take 2 or 3 minutes in order to expain it.

H. R. 858 originally passed the House as a bill which came from the House Committee on Education and Labor to clarify the overtime compensation provision of the Fair Labor Standards Act of 1938. If I recall correctly, the original bill as it passed the House applied only to those persons engaged in work as longshoremen. When the bill went to the Senate, that body amended the measure so as to make the prohibition of overtime on overtime apply to all employees coming under the Fair Labor Standards Act. The Senate also added a provision which would make retroactive that prohibition of the payment of overtime on overtime apply in the case of longshoremen.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. GORE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 127]

Albert	Hall,	Preston
Allen, Ill.	Leonard W.	Rains
Angel	Halleck	Redden
Barrett, Wyo.	Harrison	Ribicoff
Buckley, N. Y.	Hays, Ark.	Riehlman
Bulwinkle	Heffernan	Rivers
Burke	Heller	Rogers, Mass.
Canfield	Hinshaw	Roosevelt
Cavalcante	Hoeven	Sadowski
Chatham	Jackson, Calif.	Scott,
Clemente	Kearns	Hugh D., Jr.
Clevenger	Kee	Shafer
Corbett	Kennedy	Short
Coudert	Keough	Simpson, Pa.
Dingell	Kirwan	Smathers
Dolliver	McGregor	Smith, Va.
Dondero	Macy	Staggers
Doughton	Mitchell	Thomas N. J.
Eaton	Monroney	Whitaker
Ellsworth	Morrison	White, Idaho
Fulton	Patman	Wigglesworth
Furcolo	Pfeifer,	Wilson, Ind.
Gilmer	Joseph L.	Withrow
Gordon	Pfeiffer,	Woodhouse
Gorski, Ill.	William L.	
Hall,	Plumley	
Edwin Arthur	Poulson	

The SPEAKER pro tempore (Mr. COOPER). Three hundred and fifty-two Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

OVERTIME PROVISIONS OF THE FAIR LABOR STANDARDS ACT

Mr. BROWN of Ohio. Mr. Speaker, as I was explaining at the time the quorum call interrupted, House Resolution 264 provides for the taking of the Senate amendments to H. R. 858 from the Speaker's desk and agreeing thereto under a rather complicated parliamentary situation which I would like to explain to you, if I may, in the few moments I wish to take.

H. R. 858 as originally reported from the Committee on Education and Labor of the House, would have prohibited the payment of overtime on overtime to longshoremen. The bill passed the House. The Senate amended the measure so as to make the prohibition of payment of overtime on overtime apply to all workers coming under the Fair Labor Standards Act of 1938.

The Senate also added a provision which would make the prohibition against overtime on overtime retroactive as to the pay of the longshoremen as covered in the act as it passed the House originally. The Senate amendments were then messaged over to the House and placed upon the Speaker's desk. A unanimous-consent request was submitted by the chairman of the Committee on Education and Labor to take the Senate amendments from the Speaker's desk and agree thereto. That request was objected to. The matter of further action on the bill was then taken up, as I understand it, in the Committee on Education and Labor. There were two things which could be done: One was to disagree to the Senate amendments and ask for a conference; and the second was to consider the Senate amendments and agree thereto. When the measure was brought up before the Committee on Education and Labor that committee instructed its chairman, the gentleman from Michigan [Mr. LESINSKI] to appear before the Committee on Rules and to request a rule making in order the taking of the Senate amendments from the Speaker's desk and agreeing thereto. The Committee on Rules granted the rule, as requested, and it is now before us.

I want all to understand very clearly that a vote for the rule is a vote to take from the Speaker's table the Senate amendments to H. R. 858 and agree thereto; in other words, if you vote for the rule you also vote for the Senate amendments, and all of the legislative activity of the House on this particular measure is then completed. In other words, there will be simply one vote. You will vote on the rule and if you adopt the rule you agree to the Senate amendments; if you vote down the rule then you have disagreed to the Senate amendments.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. Yes; I yield gladly.

Mr. SABATH. Is it not a fact that the Senate amendments are retroactive?

Mr. BROWN of Ohio. I mentioned all of that.

Mr. Speaker, I do not care to yield for any statement; I have explained that.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will yield to the gentleman but for a question only, not a statement.

Mr. MARCANTONIO. As to the parliamentary situation, if the House votes down the previous question then this bill can be sent to conference and the House can stand by its original bill.

Mr. BROWN of Ohio. It could be sent to conference, I presume, if the resolution were defeated, and if the Committee on Education and Labor requested a rule to send it to conference, and if the Committee on Rules granted a rule to send it to conference.

The issue before the House, however, is whether you want to adopt this rule or not. If you adopt the rule then, of course, you agree to the Senate amendments.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. JENNINGS. How much money is involved?

Mr. BROWN of Ohio. I cannot answer that question; it will have to be answered by others later in the debate.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from Ohio has consumed 7 minutes.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the chairman of the Committee on Education and Labor, the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Speaker, the gentleman from Ohio [Mr. BROWN], has covered the situation and I agree with him with a small modification because I do not think he has been acquainted with all of the facts.

The bill came before the House on account of an emergency involving a strike of longshoremen. The unions wanted this type of legislation, but every labor organization was against any retroactive feature of the bill which the Senate passed. There is a Bay Ridge decision of the Supreme Court that certain longshoremen are entitled to this overtime and this is where the argument comes in on the retroactive feature.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman will agree that all I was attempting to do was to explain the parliamentary situation as to the resolution and what it will do, and did not discuss the bill itself.

Mr. LESINSKI. That is true. I brought this matter before the committee and the committee voted 14 to 11 to report the Senate bill with amendments as is. That is what is before you today. Personally, I voted against the bill, but the vote was 14 to 11 in committee and, naturally, as chairman I had to perform my duty.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Texas.

Mr. LUCAS. The distinguished chairman of the Labor Committee has stated that certain longshoremen were entitled to this benefit. Does he not agree that if these longshoremen are entitled to it all longshoremen are entitled to it? Only a certain few of them have brought these suits and this bill penalizes those who have abided by their contract.

Mr. LESINSKI. That is correct.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from New York.

Mr. ROONEY. Is it not a fact that under the terms of this bill now before us a decision of the United States Supreme Court is wiped out completely?

Mr. LESINSKI. Correct.

Mr. ROONEY. Would the gentleman say that is constitutional?

Mr. LESINSKI. I do not believe it is proper and that is the reason why I voted against this particular amendment in the Senate bill.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from New York.

Mr. CELLER. Is this not very much like changing the rules in the midst of a game?

Mr. LESINSKI. Correct, but it has been done.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from New York.

Mr. MARCANTONIO. The fact of the matter is there are 26,000 claims pending. If the Senate amendment is adopted those 26,000 claims will be wiped out, even though the Supreme Court has adjudicated that the men are entitled to this pay?

Mr. LESINSKI. The gentleman is correct and I think that section of the Senate amendment should be disposed of and the bill passed as originally agreed to by the House.

Mr. CELLER. That particular section is section 2, which is retroactive and reaches back and says claims which are adjudicated and which are proper shall now be nullified, is that correct?

Mr. LESINSKI. That is correct. That is what this bill does. You attorneys ought to understand the situation. I am not a lawyer personally, so I am not going to make the explanation.

Mr. SABATH. Mr. Speaker, I yield 7 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Speaker, if you vote for this resolution, you will be doing one of the greatest injustices that could possibly be done workingmen.

They call this bill overtime on overtime. It is no such thing. It is simply a bill that has been introduced and presented to us with the idea, so they say, of clarifying the meaning of the Wages and Hours Act, but in reality to prevent longshoremen from recovering wages for which they worked and which are justly due.

I voted against this bill when it was first before the House, because I felt then that the real objective was to strike at those men who had just claims for wages which they earned during the war years, and that is exactly what this bill has turned out to be by reason of this amendment that was tacked on over in the other body, and now comes back before you today.

The question has been raised as to what this bill will cost. The total amount involved is about $15,000,000 that is owed to longshoremen, a great many of whom are bringing suit to get back the wages which they have earned.

Now, the gentleman from Texas has stated that it would be unfair; that this bill would penalize those who abided by their contracts. This bill does not penalize those who have abided by their contracts, because they all had the right, and the Supreme Court has so declared that they had the right to demand and should receive overtime for work done at the nightly rate over and beyond 40 hours per week.

Since 1872 the longshoremen in New York City have been getting one and one-half times more for work at night than for work in the daytime. This bill would kill that premium wage, so that if a man ordinarily would be entitled to, say, $1 an hour for working 8 hours in the daytime, and if he got $1.50 an hour for work at night, after 8 hours of day work he would be entitled to overtime. If he works at night, he should be entitled to overtime on the nightly rate basis.

Now, what is overtime? Overtime is the period of time past a certain basic point—8 hours under the law. If a man works at night as a longshoreman in the hold of a ship, and he works for 40 hours, he gets the same wage at the end of the fortieth hour as he received at the end of the first hour; he would, under this bill, get the same wage after the fiftieth or the sixtieth hour if he worked. He could never get overtime.

The reason for this higher wage for this particular type of work is, first, that it is uncertain and hazardous. Longshoremen do not work steadily. They work in accordance with the time when the ship comes in, or when there is transportation of freight from inland and it arrives at the port. They work long hours and hard hours. Their work is dangerous down in the hold of a ship, and the accident rate is fairly high. It is because of that type of work that they have been paid a higher premium wage for night work than hey receive in the daytime.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from New York.

Mr. CELLER. Is it not true that this case went to the Supreme Court, where the employers were well represented by counsel, and the Supreme Court remanded this case to the United States district court for adjudication as to the claims? Now, is not that a recognition by the Supreme Court that there was a debt, and would not the passage of this bill with section 2 be tantamount to the cancellation of that debt?

Mr. LYNCH. There is not the slightest doubt in the world that that is the effect of this legislation. There is not the slightest doubt in the world that that is the intent of the legislation so that these wage earners would not be paid overtime which they labored and sweated for during the war.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Michigan.

Mr. LESINSKI. Was not the basis for the Supreme Court decision the fact that these men worked more than 8 hours on a particular night and that they were entitled to premium pay?

Mr. LYNCH. I think I made that point clear before, that under this bill a man who worked at night could never get overtime if he were paid at night one and one-half times the rate that he received during the day. These matters are now the subject of litigation. The courts have sustained the workers. What we do under this legislation is not only to vacate the judgment of the court but also tell these workers that we are taking from them the right to overtime that the Court determined they had.

Mr. SABATH. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I am unalterably opposed to this bill. I opposed it when it was before the House in the month of February and now, with the provision which I predicted would be in this bill when it came back to us

from the Senate, the retroactive provision known as section 2, I am most certainly doubly opposed to it.

Continuing the argument advanced by the learned gentleman from New York [Mr. LYNCH], I wish to point out that as far as the amount of money involved in this situation is concerned the bulk of it, practically 90 percent of it, would be paid by the United States Government.

The situation with regard to the provisions of the wage-hour law affecting the longshoremen and with regard to the fact that they were entitled to premium wages for night work in the dark and dangerous holds of ships over the period since the year 1872 was definitely brought to the attention of all of these stevedoring and operating companies by the Wage and Hour Division during the course of the war, I believe as far back as 1942. They were informed and advised, and all the agencies of the Government were informed and advised, that the Fair Labor Standards Act was being violated. Nevertheless they went ahead and proceeded to flagrantly violate this law. Finally a case for back pay was brought up to the United States Supreme Court. We now have a decision of that highest court of the land that these longshoremen are entitled to present to the district court their legitimate claim for back pay.

What is the humane situation today? Are we not being vindictive toward these men who faithfully and loyally worked in the holds of the ships during the course of the war? Today there is plenty of unemployment in the port of New York. I regularly meet longshoremen who have a claim for back pay and who presented their claim under the decision of the United States Supreme Court. They feel that they already have that money in their pocket and are waiting to spend it. Yet what does this Congress propose to do? Are you going to take that money right out of that longshoreman's pocket? Remember that the average wages of longshoremen are $2,400 to $2,600 a year. You are going to take that money out of their pockets for the benefit of whom? You have heard the figure on the total amount of claims, given by the distinguished gentleman from New York. Ninety percent of this money would come from the Federal Treasury.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I gladly yield to the distinguished gentleman from Ohio.

Mr. FEIGHAN. Is it not a fact that all the shipping industries in their contracts with the Government had special indemnity agreements that the Government would reimburse them for any future claims?

Mr. ROONEY. They most certainly did. They also knew they were violating the wage-hour law, that this was not overtime on overtime. This so-called overtime on overtime bill is a misnomer, as pointed out by the gentleman from New York [Mr. LYNCH], because the night rate was premium pay. For three-quarters of a century it was agreed that it was worth more for a longshoreman to go into the black hold of a ship during the course of the night and subject himself to losing his arms or his legs or his life, than to work the same period of time during the course of the day.

Mr. Speaker, I appeared before the Rules Committee and opposed this bill a week or two ago and I am now going to vote against it.

Mr. BROWN of Ohio. Mr. Speaker, I yield 8 minutes to the gentleman from Pennsylvania [Mr. MCCONNELL].

Mr. MCCONNELL. Mr. Speaker, I am in favor of this resolution to take H. R. 858 from the Speaker's desk and concur in the Senate amendments. This is not a partisan proposition and it is not a case of taking money out of the pockets of poor workers. If that were the case, then some union leaders must have very, very red faces at the present time.

H. R. 858 passed the House on February 21, 1949, by a vote of 230 to 7. The purpose of the bill was to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as applied in the longshore, stevedore, building and construction industries.

The Fair Labor Standards Act requires an employer to pay each of his employees engaged in commerce or in the production of goods for commerce one and a half times the regular rate of pay for hours worked in excess of 40 a week. But the act does not define the term "regular rate of pay."

In the absence of a specific definition, the unions and the employers in the stevedoring, longshore industry, as one example, agreed by collective bargaining on a straight-time rate and an overtime rate. They designated certain hours—not exceeding 8 hours—as the basic, normal, or regular workday, and a workweek—not exceeding 40 hours. Work performed during all other hours on those days, and on Saturday and Sunday, or holidays, or on the sixth or seventh day of the workweek was designated as overtime, and paid for at a rate of one and a half times the straight time or regular rate. This practice prevailed in all coastal ports of America for years. Under this agreement no employee could work more than 8 hours in a workday, or in excess of 40 hours in a workweek without receiving one and a half times the straight-time rate.

In 1945 in the port of New York, suits were instituted to determine if overtime in the longshore-stevedore contract was overtime under the Fair Labor Standards Act. Judge Rifkind, a partner of Senator Wagner, and certainly no enemy of labor, ruled that the collective-bargaining agreements accorded with the law. The circuit court of appeals reversed the district court, and then, on June 7, 1948, 10 years after the passage of the act, the Supreme Court sustained the circuit court of appeals by a 5-to-3 decision in the Bay Ridge Operating Co. against Aaron case. This decision held that overtime paid in conformity with the contract was in certain instances part of the regular rate, and that statutory overtime had to be paid in addition to the contractual overtime. The effect of this decision would be to increase the regular rate, and since employers are required by law to pay one-and-a-half times the regular rate, it would increase the amount of overtime payments due, plus penalties. This decision fell very heavily on the stevedore industry and threatens to cause considerable hardship to other industries throughout the Nation.

H. R. 858 attempts to clarify this situation by providing that—

First. If the premium rate of pay for work on Saturday, Sunday, holidays, or the sixth or seventh day of the workweek is not less than one and a half times the rate established in good faith for like work performed during nonovertime hours on other days, it should be creditable toward the overtime payments required by law and not be included in the regular rate of pay; or

Second. If, in pursuance of an applicable employment contract or collective-bargaining agreement, the premium rate paid for work outside the hours established in good faith by contract or agreement as the basic, normal, or regular workday—not exceeding 8 hours—or workweek—not exceeding 40 hours—is not less than one and a half times the rate established for like work performed during such workday or workweek, it should be creditable toward the overtime payments required by law, and not be included in the regular rate of pay.

H. R. 858 as passed by the House was limited specifically to the longshore, stevedore, building and construction industries, and was made applicable to future claims only.

H. R. 858, as passed unanimously by the Senate, was amended to make its provisions applicable to all industries; and was made retroactive to protect employers against existing and future claims for overtime payments.

On May 26, 1949, the House Education and Labor Committee by a 14 to 11 vote instructed its chairman to seek concurrence by the House on H. R. 858, as amended by the Senate.

When the bill was originally considered by the committee, no serious objection was raised to making its provisions applicable to all industries. However, it was decided that since the committee has considered a broader bill to amend the Fair-Labor Standards Act at that time, the provisions of H. R. 858 should be included in it, and made applicable to all industries. This bill was to be brought to the floor for action at a later date. H. R. 858 was made a special purpose bill to meet a pending situation in particular industries. Since no other bill has been brought to the floor of either body, I believe we should now concur in the passage of H. R. 858, as amended, and make its provisions applicable to all industries.

A majority on the Education and Labor Committee at the time H. R. 858 was considered, believed that its provisions should be made retroactive, but a parliamentary question of germaneness caused the committee to refrain from including it in the original bill. The other body having seen fit to amend H. R. 858, making its provisions retroactive, I believe the House should concur in that action for the following reasons:

First. The claims for overtime payments are in the nature of windfalls.

The employees and employers having operated satisfactorily for years under specific collective agreements did not expect any additional payments.

Second. The claims undermine collective bargaining agreements.

Third. The denial of retroactive relief would penalize the overwhelming majority of employees who chose to abide by the agreements. Only about one-fifth of the employees have attempted to take advantage of a situation which was unexpected by them.

Fourth. The failure to provide retroactivity would have a possible disastrous effect upon many companies having an impact upon commerce. And this would occur at a time when business is obviously slowing down.

Much has been said as to the amounts involved. No one knows the exact amount. I have heard figures ranging all the way from two hundred to three hundred million dollars. The Government will be obliged to pay some of this where war contracts are involved, but unless this particular resolution is passed making the provisions retroactive for all industries, claims may arise against companies in many types of industries throughout the United States. No one knows how many employers will be subjected to suits for back pay because of the particular ruling of the Supreme Court, which we feel is not in accord with the intent of the Fair Labor Standards Act.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. Not at this time.

Fifth. The parties involved in the agreements acted in good faith. There was no indication to the employers prior to 1943 that their pay practices were not in accord with the law. And then on October 15, 1943, it was only in the form of a letter from the Wage and Hour Administrator to the War Shipping Administrator. The Wage and Hour Administrator never took any steps to enforce any opinion he held, as was his duty, and never issued any ruling to an employer that the stevedoring contracts violated the law. The War Shipping Administration, the Army, the Navy, and the Justice Department all differed with the Wage and Hour Administrator and instructed the stevedoring contractors to continue their traditional pay practices.

Sixth. Opposition to the claims has been supported by various executive departments of the Federal Government.

Seventh. Various unions have urged their members to refrain from filing court claims.

If you will read some of the comments which were made—I have heard so much about how this will hurt labor. If it does, let us look at some of the statements that have been made. They are significant. Here is one. This is the American Federation of Labor Weekly, for Tuesday, August 3, 1948, and the title is "Green Cautions Against Court Action To Get Back Pay Under Overtime Ruling."

> AFL President William Green, in a letter to all affiliated national and international unions clarifying the issues raised by the recent Supreme Court overtime-on-overtime decision in a case involving longshoremen, urged that AFL affiliates refrain from filing court claims for back wages which may be due as a result of the decision.

Only one-fifth of the longshoremen have filed claims. What you will do if you do not pass this particular resolution is to penalize 80 percent of the loyal union members who have stood by the contracts in this industry.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman one additional minute.

Mr. McCONNELL. I would like to read another quotation. In a letter to the Senate committee, from Mr. D. W. Tracy, international president of the International Brotherhood of Electrical Workers, he stated the formal position of his union on this matter. In part, the letter reads:

> The brotherhood has been confronted with serious difficulties in negotiating collective bargaining agreements in the electric utilities industry as a result of the decision of the United States Supreme Court in the Bay Ridge case. The Bay Ridge decision had the effect of increasing the liability of the companies for premium compensation in excess of the fair contracts between the parties. It is understandable that the companies in this industry would seek to confine their liability to the contractual commitments. The brotherhood did not and would not oppose this effort because it is not our policy to seek gains beyond our agreements.

Mr. Justice Frankfurter summarized the reasons this bill is needed when he wrote his dissent in the Bay Ridge case. He wrote:

> The present decision is heedless of a long-standing and socially desirable collective agreement and is calculated to foster disputes in an industry which has been happily at peace for more than 30 years.

I urge you to support the House Resolution 264.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. GOODWIN].

Mr. GOODWIN. Mr. Speaker, it happens that I have a particular interest in this bill. The original bill to clarify the issue which has come to be known as "overtime-on-overtime" was introduced by me in the Eightieth Congress. The bill aroused great interest Nation-wide and was almost universally approved, not only by industry and management but also by most segments of labor, particularly those most closely allied with the longshore and stevedoring industries. I endeavored to be diligent in my efforts to secure committee action, but the bill was never reported. If it had reached the floor of the House for debate, I am confident it would have passed by an overwhelming vote.

I was glad to support and vote for H. R. 858 which recently passed this House, although the bill did not go as far as my original proposal. In the course of the debate, I expressed my disappointment that the bill could not have been made retroactive and could not have included industry in general, and I expressed the hope and the belief that both these features would be included in the legislation before final approval. I am sure that there was a general feeling that the bill should include those two features, and I believe that if it had been parliamentarily possible to amend the bill when it was passed in February by adding retroactivity and general coverage, such action would have been taken by the House at that time.

The bill has now come back from the other branch amended in these two desirable respects, and I hope the amendments will be accepted today. There can scarcely be any doubt as to the desirability of both of these amendments. Certainly, if this legislation is good for longshore, stevedoring, and building construction industries, it is good for all industries, particularly those where clock-pattern overtime exists. Also, if the principle of this legislation is wise for the future, then it ought to be made applicable to pending litigation.

The gentleman from Pennsylvania [Mr. McCONNELL] referred in his remarks to labor representatives who favor this legislation. Let me also call your attention to the fact that Joseph P. Ryan, head of the International Longshoremen's Association, whose members brought the original suits, testified before a congressional committee and filed a brief in the United States Supreme Court, placing his union on record as opposed to the suits. He said that he feared that granting overtime on overtime might wipe out, and now I quote Mr. Ryan:

> All the gains we have made for our men over a period of 25 years.

Any benefit accruing to any worker by reason of the decision of the Supreme Court in the Bay Ridge and Huron cases is in the nature of a windfall not expected by labor and never contemplated or provided against by management.

It is portal-to-portal pay over again, and there is just as much necessity for clarifying the overtime-on-overtime issue as there was in the portal pay case. Passage of this legislation by the acceptance of the Senate amendments will be hailed with great satisfaction because it will resolve a condition of doubt and confusion now existing in the ranks of management and labor alike. So long as the present feeling of uncertainty and confusion exists among labor and management it is inevitable that the commerce of the country will be restricted and impeded. Passage of the legislation will be a long step forward toward maintaining the integrity of the principle of collective bargaining.

I hope the resolution to accept the Senate amendments will be adopted.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GREEN].

(Mr. GREEN asked and was given permission to revise and extend his remarks and to include therein an article by John M. Corridan in the magazine America of April 2, 1949.)

Mr. GREEN. Mr. Speaker, I wish to state at this time that I voted against this bill when it was under consideration in the House. I am going to oppose it again.

The article by Mr. Corridan is as follows:

OVERTIME ON OVERTIME: LONGSHOREMEN'S CASE

(By John M. Corridan)

(H. R. 858, a bill passed by the House and sent to the Senate, is a proposed amendment to the wages and hours law whereby the stevedoring and the building and construction trades would be removed from the coverage of the law. Hearings ended March 14 on the Senate proposal to make this amendment retroactive in its effects so as to wipe out the longshoremen's claims for overtime on overtime—claims sustained by the Supreme Court's so-called overtime-on-overtime decision.—Editor.)

There isn't a dull moment on the New York docks any hour of the day, and often well into or through the night. Thousands of cases, bales, barrels, and cargo in bulk are swung out from hatches by ship's gear onto the docks. Trucks, lighters, and railway cars discharge cargo onto the piers or into the holds of ships. Fork trucks, four wheelers, tractors, and trailers twist in and out, moving cargo to and from the dock's edge.

Why all the feverish activity? Because, for profitable operation, the ship's turn around must be as short as possible. That's why ships are often worked through the night, even though longshoremen receive a night differential of 150 percent of their day rate.

The men breaking out or stowing away cargo in the iron bellies of ships, or moving it to and from the dock's edge, are the longshoremen. As workers, they differ from all other workers in one essential occupational condition; in practice there is no regularity in a longshoreman's working hours, either in clock time hired or in the number of hours worked on each occasion.

In the early 1900's longshoremen shaped every hour. Men looking for dock work gathered in a semicircle at the pier entrance where work was available. The hiring boss in charge picked from this shape the men he wanted to work until he knocked them off. Picking a man from the shape carried with it no obligation to give him any specified hours of work. For the first time, under the present contract, the men receive a minimum of 4 hours' pay between 8 a. m. and 5 p. m., if picked in either of the two daily shapes at 7:55 a. m. or 12:55 p. m.

Working in all kinds of weather, in the narrow confines of hold and dock, surrounded by moving vehicles and spinning machinery, and handling tons of diversified cargo, the longshoreman has a hazardous occupation, particularly at night. It is these factors that account for the historically high differential between the day rate and the night and holiday rates as contrasted with other trades. In 1872, longshoremen were paid the following rate per hour: 40 cents day rate, 80 cents night rate, $1 for Sundays. Since 1872—whether there has been a union or not, whether unions in general were strong or not, long before there were differentials in other industries—longshoring had a day and a night rate, irrespective of the number of hours worked or not worked.

The night rate in New York has been around 150 percent or more of the day. This high night rate had to be paid to get men to work. The differential is not true overtime, since it is not determined by hours worked over and beyond the normal hours for a workday. Seven different courts, including the United States Supreme Court and three United States circuit courts of appeals, together with the Administrator of Wages and Hours, arrived at this definite conclusion based on solid evidence. Highly respected and conservative members of the Federal judiciary have so ruled—Chief Judge John Parker of the Fourth Circuit Court of Appeals, Judge Augustus Hand and Judge Thomas Swan of the Second Circuit Court of Appeals, for example. At present, though, there is a bill in Congress, H. R. 858, which would exclude the longshoremen from the protection of the Wages and Hours Act. Moreover, for the past few weeks hearings have been held before the Labor and Public Welfare Committee of the Senate to determine whether or not H. R. 858 is to be made retroactive in its effects.

Ironically, in practice the vast majority of longshoremen have never been paid true overtime under the Wages and Hours Act. No sooner did the longshoremen win their case before the Supreme Court for unpaid overtime than the shipping industry not only petitioned Congress for a law to remove longshoremen from the scope of the Wages and Hours Act, but also asked it to make that new law retroactive, so as to wipe out the overtime benefits granted to the longshoremen by a previous Congress.

If any group of workers needs the Wages and Hours Act (1938), the longshoremen under the notorious shape-up system of hiring are that group. The purpose of the Wages and Hours Act was, in part, to spread employment reasonably by placing a ceiling over hours. The penalty rate of time and a half after 40 hours in the same workweek was calculated to have that desirable effect.

In an industry where work is irregular, and where there is an unregulated oversupply of men, as there is in New York, and where that work is extremely hazardous, it is absolutely necessary to retain economic penalties which will compel a more equitable distribution of the work available. As it is, the average longshoreman makes only about $2,000 a year.

According to the National Labor Relations Board in New York, no more than 14,000 of the 35,000 New York longshoremen averaged as much as 26 hours of work per week in 1947 and were still working in the port of New York in 1948. According to the central records bureau of the New York Shipping Association, only 22,000 men received 800 or more hours work in 1948. The figures indicate the poor distribution of work opportunities among the longshoremen.

The present law requires that when men earn two rates of pay, any computation of overtime must be based on an average of the two rates as a base. An example will show what the law requires. A longshoreman works 40 hours between Monday and Thursday. He puts in 20 hours at the day rate of $1.25 an hour ($25) and 20 hours at the night rate of $1.875 ($37.50). He gets an additional 8 hours work on Friday from 8 a. m. to 5 p. m. Instead of being paid at the day rate of $1.25 an hour ($10), the law requires that he be paid time and a half, using the average rate as the base.

An employer would not be inclined to give a man 8 hours overtime at the rate of $2.265 an hour when he could hire other men at the rate of $1.25 an hour. Enforcement of the overtime provisions of the wages and hours law, which the bill (H. R. 858, passed by the House but not yet by the Senate) aims to prevent, would spread work opportunities more equitably among longshoremen. As it stands now, some men earn as much as $5,000 a year, while many more make less than $1,000.

Very little concern for the observance of the Wages and Hours Act has been shown by the shipping industry on the east coast. Despite the fact that since October 1940 the act has prescribed a maximum straight-time workweek of 40 hours, the industry's contracts with the International Longshoremen's Association (ILA) called for a 44-hour straight-time workweek all through 1945.

Prior to 1938, the shipping industry never considered the night differential overtime, as it now must. In 1934, Mr. E. P. Foisie, now president of the Water Front Employees Association of the Pacific Coast, declared: "There is practically no true overtime in longshoring—that is, true overtime as adopted by the factory industries. Time in excess of 8 hours is the conventional overtime. Nothing of the sort pertains to longshoremen."

Again, in 1941–42, Mr. Foisie called "overtime," when applied to the longshoremen, a "misnomer."

It is difficult to understand just why the shipping industry failed to comply with the various directives of the Wage and Hour Administrator, and subjected themselves to the risk of 100 percent damages—the penalty for noncompliance. The industry was careful enough to get special-indemnity agreements in their Government contracts which guaranteed reimbursement from the Government in case of future claims. If these claims were delayed, then, through a statute of limitations, reduced to 2 years in 1947, only the Government would be liable for past violations by reason of cost-plus contracts.

Equally difficult to understand is the position of the ILA leadership, which apparently failed to notice the violations, and subsequently, upon notification, opposed the claims of the men. It was a local of the ILA that established the validity of the longshoremen's claims to these overtime payments. In 1941, Local 814 of the ILA filed suit in the Federal district court in Milwaukee against the National Terminal Co. The ILA held that the company was in violation of wages and hours by failure to pay true overtime. The ILA won the suit on May 15, 1943, before Judge Duffy, a former United States Senator from Wisconson at the time the wages and hours act was passed. Judge Duffy's decision was unanimously upheld by the seventh circuit court of appeals on January 28, 1944.

It is difficult, too, to understand how Government agencies could ignore the directives of the Wage and Hour Administrator acting within his competency under the authority of Congress. The Justice Department is in a strange position. In the name of the War Shipping Administration, the Attorney General is opposing suits brought against private shipping interests. In so doing, he has reversed the Justice Department's position in the custom inspectors' case (*U. S.* v. *Myers*, 1944).

Most fantastic of all is the contention of the shipping industry that payment of $500,000,000 in claims would bankrupt the industry (New York World-Telegram, March 11, 1949).

What are the real facts? First, the lawyers for the men give $15,000,000 as the top figure filed for all claims in the United States and its possessions. Second, 95 percent of the money claimed will have to be met, not by the industry, but by the Federal Government under cost-plus contracts.

Equally fantastic is the impression created that these suits are a Communist plot. Of the 26,000 claims filed, non-Communist lawyers represent about 20,000 men. The case was handled in the courts by the firm of Goldwater & Flynn, of which Edward Flynn, former National Democratic Committee chairman, is a partner. The longshoremen themselves are overwhelmingly anti-Communist. It is just another case of giving credit to the Communist Party where little or no credit is due them—in the hope of smearing good men and their just cause.

The longshoremen are morally and legally entitled to payment for their unpaid overtime. As Senator THOMAS, present chairman of the Labor and Public Welfare Committee, said: "No windfalls are involved here, but merely the enforcement of a just debt knowingly assumed" (Washington Post, June 25, 1948). In the present hearings, Senator WAYNE MORSE of Oregon remarked: "It would be a serious thing if Congress should attempt to reverse the Supreme Court in a matter affecting property rights—the workman's ability to collect money that the Court says is due him" (New York World-Telegram,

March 11, 1949). There is no telling how serious the longshoremen would consider it.

As to whether or not Congress should pass H. R. 858 (without retroactivity), that remains within the determination of Congress. It is certain, however, that this whole episode points up the reasons why there should be an investigation of the entire industrial-relations set-up of the port of New York by a responsible Government body with power to recommend remedial legislation. Until it is done, peace, decency, and justice will not come to the troubled New York water front. The time for that investigation is now.

Mr. SABATH. Mr. Speaker, I yield 7 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, there is a great deal of confusion as to what we are about to do. This legislation definitely takes from under the protection of the Fair Labor Standards Act the longshoremen of this country. Let me give you an illustration: Let us assume that the regular day rate of pay is $1 an hour; let us assume also that the pay for night work, which has always been penalty pay in the longshoremen industry, is $1.50. There has always been penalty pay for night work in the longshore industry because of the hazardous character of the work, and that penalty feature has existed since 1872. Let us assume that a longshoreman works 41 hours at night-time. He will be paid for 40 hours at $1.50 an hour. What pay will he receive for the 41st hour? That is the issue before us.

The Supreme Court in interpreting the Fair Labor Standards Act states that for the extra hour over 40 the longshoreman is to receive not the $1.50, the same penalty pay that he has received for the 40 hours, but he is to be paid overtime just as the law requires, time and one-half for every hour of work over 40 hours. The Fair Labor Standards Act requires that for time worked over 40 hours a week the employee is to be paid time and one-half. The gentlemen who are behind this bill contend that the longshoreman is to receive the same dollar and a half and no more for the 41st hour, thereby depriving him of the time and one-half for overtime, work done over 40 hours a week. They contend that he is to be paid the same amount for the hours worked over 40 hours that he is paid for the hours during the 40-hour period. So that the longshoremen here are being robbed of pay guaranteed by the overtime provisions of the Fair Labor Standards Act. The proponents of this legislation come here and tell you that if the longshoremen are paid overtime they would be paid overtime on overtime. This is a false cry and a snare. The whole purpose of this legislation is to deprive the longshoremen of the benefits of penalty pay for night work. The bill would have this penalty pay be substituted for overtime pay required by law.

Mr. Speaker, I repeat, the whole purpose of this legislation is to rob the longshoremen of their penalty rate that they have received since 1872.

This matter went to the Supreme Court and in the Bay Ridge case the Supreme Court decided that for the forty-first hour the longshoreman shall be paid time and a half; so that the Supreme Court interpreted the contract between the longshoremen's union and the employers to provide that the longshoreman shall be paid his time and a half for any time that he works over 40 hours. That is the decision of the Court. The Court sustained the interpretation of the Fair Labor Standards Act I have given here.

Now comes the Senate. The Senate not only takes the position adopted by the House—and I say when this matter came up under suspension back in February very few Members of the House understood this question—but the Senate goes farther and it says that not only is the longshoreman to be deprived of overtime from now on but any claims that he has had prior to this legislation for overtime pay are wiped out and he can no longer sue for this back pay due him.

If you vote for this resolution you are voting not only for the House bill which wipes out the overtime protection for longshoremen but you are also voting for the Senate amendment which deprives the longshoreman of any claims he has heretofore had. I do not like to use this language and I rarely use it, but I say this is grand larceny being committed against the longshoremen and I want to tell you that no matter what happens to this legislation I am going to ask for an investigation of the contemptible lobby that has been working behind this bill. Huge sums have been spent to put over this legislation.

Mr. Speaker, I ask unanimous consent to place in the RECORD at this point a list of the names of these lobbyists and the amount of money that has been expended to put over this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, the question here is, shall the longshoreman receive time and a half for the forty-first hour or shall he not? Shall the longshoreman be deprived of his right to sue for time and a half for the forty-first hour that the Supreme Court has said he has a right to sue for?

If you vote for the resolution you say that the longshoreman cannot sue for that time and a half for the forty-first hour. If you vote against the resolution you are preserving the claims that the Supreme Court has said these longshoremen have, and, what is more, you are asserting the principle of Fair Labor Standards Act protection, the 40-hour-week protection for American workers.

Further, this bill amends the Fair Labor Standards Act for all industries, depriving millions of workers of the overtime provisions of the act.

Mr. LYNCH. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from New York.

Mr. LYNCH. Is it not true that under this bill a longshoreman who only worked 1 hour in a week could be considered as working overtime?

Mr. MARCANTONIO. Exactly. In other words, what they are doing here, they are taking the penalty pay which a longshoreman has always received for working at nighttime, and they say that penalty pay now is overtime even though the longshoreman puts in that time at nighttime.

Mr. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. His daytime pay is his regular pay, not his nighttime pay?

Mr. MARCANTONIO. Let us say the daytime pay is one dollar and let us say that the nighttime pay is $1.50. A longshoreman works 40 hours at $1. Then he works 1 hour extra at night for $1.50. The gentleman's contention is that that $1.50 is overtime pay. The Supreme Court and the longshoremen have said "No," that is penalty pay. Because he worked at night, that is penalty pay, and he is entitled to time and a half for that forty-first hour.

Mr. KENNEDY. His regular pay is his daytime pay, not his nighttime penalty pay.

Mr. MARCANTONIO. The gentleman is clearly in error. His regular pay is $1 for day work as well as $1.50 for night work. This applies to 40 hours worked either day or night. However, for any hour worked over 40 he is entitled to time and a half for it.

Mr. Speaker, this bill, H. R. 858, amending the Fair Labor Standards Act has returned to the House with two Senate amendments which make it a more vicious piece of antilabor legislation than it was originally when I led the fight against its passage.

This bill, H. R. 858, is a notorious piece of legislation. And when the history of the Eighty-first Congress is written one day, the passage of H. R. 858 will be marked as one of the most monstrous actions of this body.

As originally reported out of the House Labor Committee some months ago, the bill removed from the hours and overtime protection of the minimum-wage law all employees of the stevedoring and building-construction industries. It was described to us as urgently needed legislation to prevent a serious tie-up on the east-coast waterfront; a deadline, March 1, was specifically mentioned. Unless the legislation was passed by that date, said its proponents, disaster would befall the longshore industry. March 1 came and is long since gone; no legislation was passed and no tie-up took place.

I said then, and I say now, that there is absolutely no need for such legislation; that is, unless this Congress is decided that before any other legislation is passed to aid the American workingmen, the fat purses of the American shipowners and operators be further padded by excluding the longshoremen from the protection of the Fair Labor Standards Act. And that is what the House did do. It passed H. R. 858 and cracked down on a handful of hard-working longshoremen. It is significantly tragic that the same House which has failed to repeal Taft-Hartley sends this antilabor proposal to the President as its first piece of labor legislation.

I pointed out to the House that there was more to H. R. 858 than its prospective application—the form in which it passed the House. I said that the main

objective was to use this bill as a hook onto which a retroactive clause could be hung to wipe out the back-pay claims of thousands of longshoremen. For these longshoremen have sued and won through the Supreme Court of the United States legitimate claims for back pay extending to 1945. The employers have refused to follow either the law or the warnings of the Wage and Hour Administrator to pay longshoremen time and a half for all hours worked over 40.

And after losing in the courts, these same wealthy employers come to Congress and ask us to change the law in order to wipe out these back-pay claims.

And this the Senate did. The Senate, with a handful of Members on the floor, passed by unanimous consent an amended version of the House bill. The Senate amendments extended the application of this bill, that is, the exclusion from the hours' protection of the act, to all employees in all industries with a pay schedule similar to longshore. The Senate also retroactively wiped out all the existing back-pay claims which the Supreme Court had upheld.

Behind this action in the Senate and behind the attempt to get House approval of the Senate amendments, you can find one of the most powerful lobbies in Washington operating—and operating effectively.

I have compiled from the records of the Clerk of the House the expenditures—the proclaimed expenditures—of these lobbyists to put this bill across. I think that before this Congress approves legislation like H. R. 858, it would do well to investigate those who are lobbying so determinedly for its enactment.

Among the lobbyists are—

Waterfront Employers Association, which estimated $59,615 for legislative or Washington office operations for 1948 and which employed: Radner & Zito—the firm members and associates are William Radner, Frank J. Zito, J. Franklin Fort, Odell Kominers, Mary L. Schleifer, and William Ragan—528 Tower Building, Washington, D. C., $2,500 representing compensation at the rate of $250 per month from March 1, 1948, to December 31, 1948. Compensation for work done by firm members or associates. Legislation affecting maritime industry, particularly in relation to wage-and-hour law.

For the first quarter of 1949, $750, representing compensation at the rate of $250 per month, January–March 1949; estimated reimbursement for long-distance telephone and other communication expenses $225; mimeographing and printing of statements for presentation to congressional committees, $246.75. "Received from the Waterfront Employers Association, in addition to the $250 per month for legislative work, compensation in the amount of $1,000 per month for work in connection with litigation under the Fair Labor Standards Act." Worked on "legislation affecting maritime industry, particularly in relation to wage-and-hour law."

Arthur H. Breed, 310 Fifteenth Street, Oakland, Calif., who, I believe, is a California State senator. For third quarter of 1948 July 1 through September 30, salary, $3,614.24; miscellaneous expenses—office, postage, telephone, and telegraph, and so forth, and entertainment—$228.71. James D. Hahn, associate, $50 per week, plus expenses. Supporting overtime-on-overtime legislation.

For fourth quarter, 1948, October 1 through December 31, salary, $3,574.92; miscellaneous expenses, $191.65. James D. Hahn, associate, $50 per week plus expenses. Supporting overtime-on-overtime legislation.

For the first quarter of 1949, salary, $3,575; miscellaneous office expenses, $118.91. James D. Hahn, associate, $50 per week plus expenses. Supporting overtime-on-overtime legislation.

National Federation of American Shipping, which estimated $37,354 for legislative or Washington-office operations for 1948, and which employed—

Walter E. Maloney, of law firm of Burns, Currie, Walker & Rich, 40 Wall Street, New York City. Compensation is indefinite, depending on extent to which his services will be required. Retained in connection with Federation's efforts to get legislative relief for maritime employers from effects of Supreme Court decision in the Bay Ridge case. Registrant believes lobbying law is not applicable to him when as an attorney he renders legal service to a client. Will report on quarterly statements the portion of his income allocable to legislative activities. This is 1949 registration.

Frazer A. Bailey: Registrant believes that $450 represents the amount of his salary received from the National Federation during the fourth quarter of 1948 which is allocable to legislative activities; $93.91 paid to Waldorf-Astoria, Park Avenue, New York, N. Y., for expenses of luncheon meeting with industry and labor representatives in connection with overtime-on-overtime legislation. During past quarter supported overtime-on-overtime legislation and certain amendments to the Merchant Marine Act of 1936 as amended.

For first quarter of 1949, $2,250:

Supported legislation relating to overtime on overtime, United States-flag shipping participation in Government-financed cargoes, and amendments to the Merchant Ship Sales Act of 1946.

John B. Ford, 1809 G Street NW., Washington, D. C.:

A fair portion of my salary chargeable to lobbying purposes is $25 per month, $75 for the quarter. Compensation for personal services. Legislation affecting the American merchant marine, specifically legislation amending the Merchant Marine Act of 1936, House Joint Resolutions 377, 398, 412, and 413, and companion bills, overtime-on-overtime legislation, and other legislation affecting shipping.

Alfred U. Krebs, 1809 G Street NW., Washington, D. C.: Registrant believes that $50 per month represents a fair allocation of his salary for the fourth quarter of 1948. Registrant did not support or oppose any legislation during the fourth quarter of 1948.

W. Bruce Macnamee, 1809 G Street NW., Washington, D. C.: $150 per month—$450 for quarter—allocable to legislative activities. Not employed to support or oppose any particular activities. Not employed to support or oppose any particular legislation.

Plumley Fletcher, 421 Tower Building, Washington, D. C.: Gross salary received, $925; expenses, $141.30. "No specific legislation."

John F. Rudy, 1809 G Street NW., Washington, D. C.: $35 received as salary during fourth quarter 1948 allocable to legislative activities.

As director of public relations of the National Federation of American Shipping am not employed to support or oppose any particular legislation.

S. D. Schell, 1809 G Street NW., Washington, D. C.: Approximately $300 of regular salary for the quarter is allocable to services performed on matters relating to legislation. Activities consisted mainly of answering questions of various officials in the Government and others interested in general legislation pending in Congress with no particular activity on pending legislation.

National Association of Stevedores, New York City, reported expenditures of $3,034 for 1948.

Finally, these are the same lobbyists who are working so determinedly to change the Ship Sales Act of 1946 and the Merchant Marine Act of 1936; to reduce their indebtedness to the United States Government; to change the depreciation rate on their vessels; to increase their subsidies. How many are in violation of the law by not registering with the United States Maritime Commission for the purpose of carrying on these activities?

A thorough congressional investigation is needed.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. WERDEL].

Mr. WERDEL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a copy of an article published in the magazine America.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WERDEL. Mr. Speaker, the gentleman from New York has used the figure of $1.50. Now, we must understand when we are considering this bill that under the ILA contract the regular rate of pay is $1.88 an hour; that by expression in the contract the overtime rate is $2.82 an hour. If you assume under the contract as written by the ILA that a man works 1 hour before 5 o'clock and 7 hours after 5 o'clock, under the contract that man has earned $19.81 overtime and $1.88 regular time. Under the court decision you would add those up, divide by 8 to get to the normal rate, so the court normal rate instead of being $1.88 as expressed in the agreement becomes $2.71 an hour. Then the overtime rate, if you please, is not $1.50 an hour but under the court action is $4.06 an hour. If you apply the differential in the overtime rate in the contract as written by the court and the one as written by the parties, then you have a difference of $25 per week for a 60-hour week. Then if you apply the penalties, you have $50 per week. You multiply that by 52, and you have a possible $2,600 claim per year for a man that works 60 hours a week. Multiply that by the 20,000 claims that are

now pending and you have five hundred and some odd million dollars. The claims presently filed are only part of those that can be filed and will be filed if the Congress does not pass this bill with its retroactive features.

I have sat here and listened intently to the debate on H. R. 858, just as I sat here and listened last February, and I have not heard a single meritorious argument advanced against the bill. Not only that, as a member of the Labor Committee, I heard considerable testimony both for and against the bill when hearings were held last February and I was present when several Members of the House appeared before the Rules Committee and opposed the granting of the rule. I heard no further argument against this bill and I do not believe there is any.

Here is a situation where labor and management, parties that have bargained collectively for more than 30 years, came before Congress with a joint application for legislative relief. The International Longshoremen's Association, A. F. of L., and the employers in the stevedoring industry, who have fought side by side through the courts to sustain their collective bargaining agreements, turned to Congress for help. Now let us look at what had happened.

Because of their strength over the years, the International Longshoremen's Association had won from the employers a contract that gives the longshoremen benefits far beyond the minimum requirements of the law and far better than the usual collective bargaining agreement. In fact, Judge Rifkind in the district court found that there was 8.50 times as much contractual overtime as there was overtime measured by the number of hours in excess of 40 worked for one employer. This union, like some well-organized bargaining group, had gone far beyond the point where overtime is paid merely for excess hours or for work performed after a certain hour of the day. On the east coast, for example, the men were able to gain a contract spelling out a regular or normal working day of 8 hours from 8 a. m. to 12 noon, and from 1 p. m. to 5 p. m., and the regular or normal workweek is made up of 40 hours, 5 regular or normal working days from Monday to Friday, inclusive. These regular working days are the straight-time hours under the contract and if a man works at any time outside the regular working day, the contract provides that he shall be paid at the overtime rate of time and one-half the straight-time rate. In other words, under the contract there are only 40 hours during the week when an east coast longshoreman can work at straight time. At all other hours he gets time and one-half. At present the straight-time rate is $1.88, the overtime rate is $2.82.

There are some longshoremen who had no interest beyond the chance to get a quick dollar. These men were mostly those who had come into the industry during the war period and that were advised by some clever lawyers that there was a chance to collect some unexpected overtime compensation. These lawyers were hired on a percentage retainer, and without further ado, suits were filed in 1945.

The International Longshoremen's Association opposed these suits because it knew that the enforced payment of overtime on overtime would mean that the employers would never again grant the benefits provided by the traditional type of contract. Accordingly, having the courage of their convictions, union officials testified in opposition to these claims and a brief was filed by the International Longshoremen's Association in the Supreme Court. The American Federation of Labor, the parent organization of the International Longshoremen's Association, also filed a brief in the Supreme Court and it is interesting to see their appraisal of the effects of the Bay Ridge decision. Their brief, opposing the claims of the longshoremen, reads in part as follows:

> A final important consideration. The result of the Bay Ridge decision reaches beyond the question of overtime only and adversely affects the interests of organized labor in other directions than the loss of advantageous arrangements previously won. It strikes at the very foundation of collective bargaining. In some respects it interferes with the right of organized labor and employers to enter into agreements which are more advantageous to the workers than the minimum statutory provisions enacted for their benefit. It denies to organized labor the right to enter into contracts which in good faith seek to accord a broad and favorable interpretation of the work "overtime" and thus strikes directly at labor's power to improve its working conditions through the process of collective bargaining.

Meanwhile officials of the International Longshoremen's Association and also William Green, president of the American Federation of Labor, were advising union men all over the country they should not instigate suit or file claims to collect overtime-on-overtime. It is something to note that the overwhelming majority of union longshoremen respected the wishes of their leaders and over 80 percent of the longshoremen in this country filed no overtime-on-overtime claims.

The courts ruled in favor of the suing longshoremen and against the employers and labor organizations. The court held that payments at the overtime rate had to be included in the compilation of an average rate and that when a man worked more than 40 hours in a workweek, he must be paid one and one-half times his average rate—overtime on overtime. The court in fact told the parties "true, you have called this 150 percent rate an 'overtime rate'; you intended it to be true overtime and you both treated it as such; but you are both wrong—it is not overtime at all, but a part of the man's regular rate." Of course, this decision opened the flood gates and many more suits were filed. As a matter of fact while we had this matter under consideration by the Labor Committee we were advised that suits are also pending in the building and construction field as well.

Soon after the Supreme Court decision the International Longshoremen's Association and the East Coast employers had to negotiate for a new contract. The overtime issue immediately became the major obstacle to a new contract, and because of their inability to find a satisfactory substitute for their previous work patterns and contracts, a nationwide strike took place last fall. In an effort to end this tie-up the Secretary of Labor sent the following telegram to the International Longshoremen's Association and to the employers:

> I will on the opening of the Eighty-first Congress promptly support legislation to validate in principle the traditional form of contract between stevedores, shipping companies, and longshoremen.

Relying on this assurance the parties entered into a temporary truce, and the country's merchant marine and its cargoes moved once again. This truce, unsatisfactory as it is to both parties, continues while they await the enactment and our consideration of this legislation. Unquestionably as soon as this bill becomes law, the industry will revert to its traditional type of contract and practice.

The Secretary of Labor appeared before the Labor Committee and urged prompt relief from the overtime-on-overtime problem. Of course, the bill as originally introduced dealt solely with the future, but there can be no question about it—if the principle is sound for future labor contracts then it is only fair and equitable to make this principle applicable to those cases where parties have in good faith entered into such contracts in the past.

We had extensive hearings before the Labor Committee and when it became apparent that we were going to treat it separately and apart from general wage-hour legislation, we had representatives of the parties before us in executive session. I have no doubt in my own mind that if it had been possible for us to do so, the bill reported to the House by the Labor Committee would have been retroactive. Our action in this direction was prevented solely by a ruling of the Parliamentarian that such an amendment would not be germane.

The House passed the bill by a vote of 230 to 7, and thereafter the other body undertook consideration of the measure. A special subcommittee of three—Senators HILL, WITHERS, and MORSE—appointed by the Senate Committee on Labor and Public Welfare held extensive hearings devoted primarily to the question of retroactivity and broader coverage. While we had heard the labor organizations, the employers, individual longshoremen and lawyers representing longshoremen in pending cases, the Senate hearings were even more complete. Considerably more time, in fact, unlimited time, was given the attorneys representing the suing longshoremen. For instance, Mr. Monroe Goldwater of the firm of Goldwater & Flynn, New York City, testified on March 7, on March 8, and again on March 10, and submitted a supplemental brief for the record. Numerous other attorneys representing claimants also appeared. Among them, Mr. Herbert Resner, a member of the firm of Gladstein, Anderson, Resner & Sawyer, and general counsel of the International Longshoremen's and Warehousemen's Union, CIO. I think we can assume that these attorneys, fighting to save large contingent legal

fees, put forward their best cases. Nevertheless, the Senate subcommittee voted unanimously to make H. R. 858 retroactive, and the full Senate committee concurred. When the bill reached the floor of the Senate, amended so as to be retroactive, it passed without a single objection. The Senate also made the bill applicable to all industries. There has been no opposition whatsoever to such broader coverage, and I certainly feel that if the overtime-on-overtime problem is to be corrected it should be corrected for everyone.

Actually H. R. 858 means that if parties entering into a contract that meets the requirements of the bill the extra compensation provided by the contract premium rates will be excluded in computing the regular rate at which employees so paid are employed. Furthermore, this premium compensation may be credited toward any overtime compensation due under the Fair Labor Standards Act. The purpose in making the bill retroactive is to prevent the maintenance of suits now pending or the enforcement of claims which may have accrued prior to the enactment of this bill. In other words, if prior to the date of enactment of this act an employer has paid an employee for, let us say, 1 hour's work at a premium rate of not less than time and one-half the rate applicable for the same work during nonovertime hours, then the overtime premium—50 percent or greater—will be excluded from the calculation of regular rate and may be credited toward statutory overtime.

This is certainly fair and equitable.

The problem here presented results from a Supreme Court decision. That decision resulted in the court rewriting contracts of the bona fide contracting parties. The necessary action to follow has been the enforcement of the 100 percent penalty provisions of the Fair Labor Standards Act and the assessment of large attorney fees.

The undisputed testimony before the House Committee on Education and Labor by officials of the United States Maritime Commission was that the United States Government is exposed to damages in an amount in excess of 200,000,000.

William Green of the American Federation of Labor has advised against filing of claims and lawsuits by members of American Federation of Labor unions. The proper officers and attorneys of the International Longshoremen's Association appeared as a friend of the court and opposed the decision of the Bay Ridge case. Yet, we were advised in the House Committee on Education and Labor that in excess of 20,000 lawsuits have been filed.

I want to call your attention to the circumstances surrounding the filing of many of those lawsuits. I have in my possession digests of all of the cases filed on the Pacific Coast from Seattle, Wash., to southern California—62 such cases, each embracing many plaintiffs, have been filed. Sixty of those cases have been filed by the law firm of which Richard Gladstein is the senior partner. I also have evidence of the cases filed in Hawaii. There are nine such cases embracing a large number of plaintiffs. All nine of those lawsuits were filed by Mr. Gladstein's law firm. I also have in my files copies of the printed and mimeographed attorney-fee agreements retaining Mr. Gladstein's firm of attorneys to collect overtime compensation and liquidated damages as a result of the Bay Ridge case. The undisputed testimony before the House and Senate committees is that these agreements were circulated in the port cities by individuals who went out on the streets to induce longshoremen to retain Mr. Gladstein's law firm to commence legal proceedings. The agreements are also fully set forth in the Senate hearings. I cannot see how that can be considered anything but champerty, even in those States permitting an attorney to take a contingency fee. Certainly, it is difficult to understand why the proper bar associations in the areas where these tactics have been employed have not taken action against the law firms benefited by these tactics. Many of these agreements provide for contingency fees of large proportion of any possible recovery in addition to the attorney fees allowed under the terms of the Fair Labor Standards Act.

In these days when socialist England is crying for food but still has an uncontrolled London dock strike; when the Australians are battling unreasonably stimulated labor troubles; when Harry Bridges has outclassed Hirohito by blockading Hawaii, I believe it should be pointed out here that the Richard Gladstein I have mentioned is the attorney for Harry Bridges and for that labor union which Mr. Bridges has stolen from its membership. Richard Gladstein's Communist affiliations are mentioned in five places in the 1947 report on the un-American Activities of the Joint Fact Finding Committee to the fifty-seventh California legislature. He is there listed as the attorney for the Communist Party. He is presently one of the attorneys defending the 11 Communists in the conspiracy trials now pending in New York.

Surely the Members of the House comprehend what is involved in the retroactivity of H. R. 858. When these bills were first passed, employers were given a reasonable length of time to comply with the provisions of the act in their business affairs. However, now that the act has been in effect for 10 years, when the Supreme Court or our other courts improperly interpret the intent of Congress with regard to who might be covered by the act, or as in this case, what the true definition of regular rate is, such action has the effect of making the penalty provisions retroactive. Such provisions are retroactive for the period of time covered by the Statute of Limitations on labor claims in the respective States. You can, therefore, well understand that we are considering a problem where honest employers are exposed to the uncontrolled champerty of dishonest labor leaders and that the real measure of damages in the case is the extent of the assets that the employers possess.

We on the House Committee on Education and Labor have been reliably advised that some employing organizations would be forced to expend costs in the amount of $300,000 in order to provide an audit required by the decision of the Bay Ridge case. Those high court expenditures are understandable if we keep in mind that the average daily rate would be different for each employee and some of these firms have hired them by the tens of thousands. I am advised that the Statute of Limitations in New York State is 6 years.

We should not be deceived as to the amount of damages involved in our decision here. It is admitted that only a small portion of those entitled to file these suits have yet filed. Some employers in Hawaii have already settled claims brought by Harry Bridges' union. However, immediately upon being relieved of this legal harassment, after they marshaled their assets and entered into a settlement, such employers have immediately faced new claims by the same plaintiffs filed by the same attorneys without cost to the plaintiffs, under contingency fee agreements. Unless H. R. 858 is made retrospective in effect to state the true intent of Congress when the law was passed, there will be a flood of cases filed as soon as this Congress adjourns.

I also have in my possession digests of the cases filed in the New York City area. Most of these cases have been filed by plaintiffs who are members of the union that entered into the bona fide agreement with stevedoring employers through the International Longshoremen Association. The leadership of that union and their attorneys justifiably desiring to rely upon their collective-bargaining agreement have opposed such actions. Those of us on the Education and Labor Committee have been reliably advised that the jurisdictional contest now going on between the International Longshoremen Association and the captive union of Harry Bridges has resulted in the filing of many of the New York cases. The same unethical tactics have been employed by many of the attorneys who represent the plaintiffs in the New York actions. We have been told that persons identified with Communist activities have circulated attorney-fee agreements in New York with the remarks that "It will not cost you anything to let us show you what Harry Bridges can do for you."

The New York cases have been filed by the following attorneys: Goldwater & Flynn, David Friedman, Nathan Baker, Cherny & Lexine, Samuel M. Cole, Sol Gerstein, Howard Schulman, Albert A. Gerber, Samuel P. Lavine, Walter N. Moldawer, Protter & Bagley, Tanz & Jaffe, Max R. Simon, Benenson & Israelson, Aaron Sofer and Milton I. Stockton, Maurice Braverman, William Murphy, McNally & Batten, Duberstein & Nimkoff, Nathaniel A. Rankow, Dilorenzo & Alfert, Joseph B. Koppelman, O'Dwyer & Bernstien.

I also believe that it should be called to the attention of the House that the firm of Goldwater & Flynn has offered to make settlement of all of the cases filed to date, for all of the attorneys I have mentioned, for the sum of $10,000,000.

I do not believe that the Senate Committee asked Mr. Goldwater, when he appeared before it, whether his firm was associated with all of the other firms I

have mentioned as having filed pending actions. It is true that that firm represents about 5,000 plaintiffs. It is also true that the captive union of Harry Bridges is supposed to be a CIO union; that Robert Nathan in Washington is an economist for that union; that Jerome Spingarn is an attorney with offices connected with Robert Nathan; that Jerome Spingarn appeared in executive session of the Education and Labor Committee of the House when the retrospective effect of the Lesinski bill, H. R. 858, was being discussed. He appeared as a representative of Goldwater & Flynn and was even allowed into executive session of the committee until his removal was insisted upon by the Honorable SAMUEL K. MCCONNELL, ranking minority member of the committee.

It is my considered opinion that these facts demonstrate that the decision of the Bay Ridge case has resulted in the development of one of the largest and most vicious rackets in the history of our country and the legal profession.

I am sure that it will appear to the general American citizens that this Congress should examine into the real cause for the flood of litigation which has been filed in our courts by mass circulation of attorney fee agreements. It has been, in effect, a mass production of unwarranted lawsuits against honorable and responsible citizens and against the United States Government and its taxpayers themselves. Certainly, our bar associations should be interested and the Department of Justice should feel called upon to examine into these matters and determine their cause and also to determine whether there is any connection between this mass of litigation and the resignation of James L. Goldwater from the Wage and Hour Division of the Department of Labor and the Solicitor's Office in April 1942. Members of the Committee are reliably advised that at that time James L. Goldwater entered the law office of his father, the senior partner in the firm of Goldwater & Flynn.

When H. R. 858 was first introduced by the gentleman from Michigan [Mr. LESINSKI], members of the Education and Labor Committee were led to believe that the retroactive features of the bill would be discussed. However, on the day set for such discussion, the gentleman from Michigan [Mr. LESINSKI] claimed that the retroactive features were not germane. The need for retroactive features was known when the bill was first introduced, and if they had been included in the bill, the bill would have been referred to the Judiciary Committee. The House Labor Committee passed H. R. 858, believing that the Senate under its rules would amend the bill. Offering amendments to H. R. 858 in its original form on the floor of the House would also have been subject to the objection that such amendments were not germane to the bill.

I am sure that a majority of the members of the Education and Labor Committee were in favor of retroactive features in the original bill. They later voted to instruct the gentleman from Michigan [Mr. LESINSKI] to take the bill from the Speaker's desk when it was returned from the Senate and concur in the Senate amendments.

It seems little short of bad faith to have certain gentlemen of the committee now making the point on the floor of this House that the Education and Labor Committee held no hearings on the bill, and that is particularly true in the light of the fact that the law firm of Goldwater & Flynn were permitted to sit in on executive sessions by the gentleman from Michigan [Mr. LESINSKI], the author of the bill.

I think that it is unfortunate that the gentleman from New York has inserted an article by John M. Corridan, S. J., from the magazine America into the RECORD. As a member of the good Father's faith, I can only say I believe he has been deceived by men who seem to think there is a difference between coveting your neighbor's goods as an individual and doing it by group action, provided that group is called a union or political party. It is with consideration and respect for Father Corridan that I enclose herewith a copy of the reply to his statements printed in the magazine America on June 4, 1949, as drafted by Daniel A. Lynch:

CONCERNING OVERTIME ON OVERTIME

In the issue of America for April 2, 1949, there appeared an article by John M. Corridan, S. J., entitled, "Overtime on Overtime; Longshoremen's Case." The paper attacks H. R. 858, a proposal to clarify the Fair Labor Standards Act by outlawing overtime on overtime. The House of Representatives passed the bill by a vote of 230 to 7. In the same issue America boasts that among its more than 22,000 subscribers by mail are "pastors, teachers, government officials, journalists, and other leaders of public opinion." It is probable that few of the readers of America are familiar with the question of overtime on overtime. Hence they are very apt to accept Father Corridan's statements without qualifications. The present writer feels that a quite different version of the controversy should be presented to America's readers.

All longshoremen are represented by the International Longshoremen's Association (A. F. of L.) or by the International Longshoremen Workers Union (CIO). This representation is not new. The ILA has represented the longshoremen in New York for over 30 years. It has contracts covering west coast longshoremen for over 15 years. Through collective bargaining the unions and the employers agreed upon a straight-time rate and an overtime rate. In New York, at the present time, the straight-time rate ($1.88) is payable for work performed between 8 a. m. and 12 noon and 1 p. m. to 5 p. m., Monday through Friday. Work performed during all other hours on those days and on Saturday, Sunday, or holidays is by agreement of the employers and the union designated as overtime and paid at the rate of time and one-half ($2.82). This practice prevailed in all coastal ports of America for years prior to the passage of the Fair Labor Standards Act. Following the passage of the act, in 1938, all parties to these collective agreements believed that the overtime provisions of the contracts complied with the existing law.

Under this arrangement, it was proved in Federal court that longshoremen were paid eight and one-half times more in overtime wages than they would have received if paid in accordance with the law—that is, after 40 hours of work.

In 1945, in the port of New York, approximately 800 men, most of whom came into the industry only for the war years, instituted suits under the FLSA to determine if "overtime" in the union contract was "overtime" under the law. The cases were tried before Judge Simon J. Rifkind, who ruled that the collective agreements accorded with the law. He stated that to hold otherwise would "put collective bargaining in the category of a device to obtain money under false pretenses." The circuit court of appeals reversed the district court, and the Supreme Court sustained the claims by a 5-to-3 decision (*Bay Ridge Operating Co., Inc.* v. *Aamon*, 1947). The Supreme Court held that the overtime paid to and accepted by longshoremen for years, without complaint either by their unions or themselves, was a part of the "regular rate" under the law, and that statutory overtime had to be paid on top of the contractual overtime that was already paid.

Following the decision of the circuit court in the Bay Ridge case, suits were instituted by some 20,000 longshoremen who sought to climb aboard the "gravy train," wholly disregarding the agreements entered into in absolute good faith with their own unions. With this problem to face, the ILA and the New York Shipping Association commenced contract negotiations in 1948. Various proposals for rephrasing the agreement to permit continuance of the overtime practices were submitted by conciliators, but approval thereof could not be obtained from the Wage Hour Administrator. The longshoremen went on strike in November.

The situation was presented to the Secretary of Labor who, on December 7, 1948, sent the following telegram to ILA and the shipping association: "I will on the opening of the Eighty-first Congress promptly support legislation to validate in principle the traditional form of contract between stevedores, shipping companies, and longshoremen." (This referred solely to overtime.) Thereafter, Secretary Tobin directed his legal staff to consider corrective legislation. After a conference of representatives of the A. F. of L., CIO, the shipping, stevedoring, building, and construction industries, a bill was drafted and introduced by Congressman JOHN LESINSKI, chairman of the Committee on Labor and Education, at the request of Walter Mason, legislative representative of the A. F. of L. And thus was H. R. 858 conceived and born.

Now Father Corridan's article contains many inaccurate statements. Limitation of space permits an exposition of only the more important of these.

He states that the shipping industry petitioned Congress for a law to remove longshoremen from the scope of the Wages and Hours Act and that H. R. 858 will achieve that result. Nothing could be further from the truth. The fact is that Congress has been asked to permit unions and employers to agree, through collective bargaining, to overtime terms more beneficial than the minimum requirements of the FLSA. The AFL, Labor Department, and Wage and Hour Administrator have endorsed this effort. Even the CIO does not oppose H. R. 858 in principle. Is it reasonable to believe that these groups would agree to such a limitation at a time when they are demanding that the act be expanded?

He asserts that the industry is hazardous, particularly at night, thus requiring a higher rate for night work than other industries. Stevedoring is hazardous at all times but records will show that, on the basis of manhours worked, more accidents occur in daytime hours than during the night. He implies that seven different courts have determined that payment of 150 percent of the day rate for night work is not true overtime. I challenge Father Corridan to name any court which so ruled prior to 1947.

He would have us believe that the industry has consistently violated the act because, up to 1945, the ILA contract called for 44 straight-time hours. He does not state—as is the fact—that longshoremen working in

excess of 40 hours for any employer in a given week were paid one and one-half times the straight-time rate for hours worked in excess of 40. Stevedores in New York have been investigated by inspectors of the Wage and Hour Division, and not a single complaint has been filed.

He states that he cannot understand why the industry failed to comply with, and the Government agencies ignored, the various directives of the Wage and Hour Administrator. Father Corridan cannot point to a single directive of the Administrator which stated that the industry should pay more than contractual overtime, because none was issued.

What happened was this. In 1943 the Administrator wrote to War Shipping Administration, stating that in his opinion the overtime-pay practices under an ILA contract in a Gulf port did not comply with the law. He requested the comments of WSA on his opinion. At least 25 conferences were held, attended variously by representatives of WSA, Army, Navy, Wage-Hour Administration, and Justice Department. At this very time the Administrator refused to give a ruling on the question, although specifically requested by an employer to do so. Since the procurement agencies challenged the opinion of the Administrator, it was agreed that the Attorney General—the highest legal authority in the executive branch of the Government—would determine their legal position. He decided that the ILA contract did not violate the law and undertook to defend his ruling in the courts. The Administrator apparently adopted this position, since he never sought to enforce his opinion, as was his right and duty under the FLSA.

Father Corridan states that the industry was careful to obtain special-indemnity agreements in Government contracts. This is just sound business practice. The ulterior motive he ascribes to the industry in obtaining the indemnity is a gem. He indicates that with the indemnity agreements, plus delay, only the Government would be liable for past violations of the law because of the 2-year statute of limitations contained in the Portal to Portal Act. I should like Father Corridan to explain how the industry could know in 1945, when the indemnities were obtained, that the Portal to Portal Act would be passed by Congress in 1947.

With respect to the amount of pending claims, Father Corridan is apparently willing to accept as gospel truth the statement of the attorneys for the litigants. He says the "lawyers for the men give $15,000,000 as the top figure filed for all claims in the United States and its possessions." Had he checked his facts, he would have found that more than $15,000,000 of claims were asserted in only 4 out of some 200 lawsuits. I assume Father Corridan was also advised by the same lawyers that the real fact is that 95 percent of the liability for overtime on overtime will be met by the Government.

If Father Corridan had written of this subject as a pure proposition of law, it might not be necessary to point out his errors of fact. It is an entirely different matter, however, when a writer flits from error of fact to half truth to the false conclusion that the men are morally entitled to recovery, and that their cause is just.

For a certainty, the shipping and stevedoring industries seek to have existing claims barred. These claims have no more moral substance than the claims which arose in the Mt. Clemens Pottery case and were outlawed by the Portal to Portal Act (with which Father Corridan says he has no quarrel). In asking for corrective legislation, all that the industry seeks is a law to validate agreements entered into in good faith with the ILA after negotiations with a committee of upwards of 100 representatives. The Xavier Labor School seeks to encourage collective bargaining. Its instructors must necessarily teach that an agreement once made is binding upon all of the employees covered by the contract, and must be honored in letter and spirit. Giving retroactive effect to H. R. 858 will accomplish this and nothing more. Responsible officials of the AFL have stated that the greatest assets of the trade-union movement are their collective agreements and the integrity therein involved. How can Father Corridan aline himself with those who seek to destroy these assets? William Green asked constituent unions of the AFL to see to it that their members did not sue for overtime on overtime. Does Father Corridan believe that Mr. Green would have made such a request if the men were morally entitled to the money and their cause just? One Federal judge stated that it would be difficult to sustain these claims if they rested upon moral grounds alone; another described similar litigation as a species of synthetic afterthought."

Father Corridan's paper was written without regard for the true facts. A host of reprints of the article have been circulated among longshoremen along the waterfront of New York. These men have every right to expect that statements made by Father Corridan in America are true. His article is factually wrong. I submit that it is his responsibility to see to it that the false impressions he has created are corrected.

DANIEL A. LYNCH.

Mr. SABATH. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, it seems that I am the only one on the Democratic side of the Committee on Education and Labor who is going to represent the majority of that committee, which reported out this bill. The bill came out by a 14-to-11 vote, and the majority favored retroactivity. You will recall that the Senate bill adding retroactivity was reported by the Senate Committee on Labor, comprised of Senators PEPPER, MORSE, and others who are labor's great friends, and it came out of that committee unanimously and went to the full Senate without a dissenting vote. So this cannot be said to be an antilabor bill. It is not. It is a prolabor bill, because it prevents these people who have lawsuits from getting this extra windfall, where those who did not bring suit would not be entitled to it. That is the substance of it. The issue is, Will these men abide by their contracts? That is the simple issue. There was a contract all during the war, and it exists until today, entered into by this labor union. It is a strong labor union. Yet some of the members want to get this windfall as the result of this tortuous decision of the Supreme Court. We certainly should clarify the law, and that is all this bill intends to do.

H. R. 858 passed the House in February. At that time the House Education and Labor Committee was holding hearings on H. R. 2033, providing numerous amendments to the Fair Labor Standards Act of 1938. In the course of those hearings we considered the problem of overtime on overtime, because, as the Secretary of Labor told us, it is one of the most serious problems arising under the wage-hour law. When it became apparent that there would be some delay in reporting out H. R. 2033, or any other comprehensive bill, the committee decided to expedite the clarification of the overtime provisions of the act, and we reported out H. R. 858. H. R. 858, as reported by the committee and as passed by the House 230 to 7, dealt solely with the future and had no retroactive application. It provided merely that after the date of enactment, overtime premiums paid in accordance with contracts meeting the standards set forth in the bill would be recognized as true overtime and could be credited against the obligations to pay overtime under the 1938 act.

The committee was well aware of the need for retroactive relief. We had heard considerable testimony with respect to the lawsuits pending in the stevedoring and longshore industries and in the building and construction industries. As I told you last February, in my opinion, a majority of the members of the committee felt that retroactive relief was fully justified. My statement to you at that time has since been confirmed by the action of the committee, voting to concur in the Senate amendments. You will recall that the committee was precluded from voting on retroactive relief because the committee was advised by the Parliamentarian that a retroactive amendment would not be germane since the bill, as originally introduced, dealt solely with the future. It was solely because of this technicality that the committee failed to act on the question. Several members of the committee, including myself, told you that we sincerely hoped that when the bill was considered on the other side retroactive relief would be afforded and that we would be given an opportunity to correct the situation.

Now the other body has amended the bill to grant retroactive relief. And it is important to remember that action was taken at the conclusion of extensive hearings. A subcommittee of the Senate Committee on Labor and Public Welfare held hearings from March 2 to March 14 on H. R. 858 alone and these hearings were devoted almost exclusively to the question of retroactivity. All parties were heard. Numerous longshoremen were heard personally and I believe that all of the attorneys representing the claimants on both coasts were heard. The subcommittee consisting of Senators HILL, WITHERS, and MORSE reported unanimously in favor of retroactivity. The entire Senate committee concurred and the bill, as amended, passed the Senate without a single objection.

The Senate also amended the bill so that it would now apply to all industries. There has never been any objection to this. The House Committee on Education and Labor limited the bill's coverage solely because we were considering H. R. 2033 which would extend the same relief to all industries. Certainly we should concur in the broader coverage of the amendment.

Mr. BROWN of Ohio. Mr. Speaker, I yield the remaining time on this side to the gentleman from Massachusetts [Mr. HERTER].

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. COX. I trust the Members of the House will give attention to what the

gentleman from Massachusetts has to say. He will give you an accurate picture of the whole question here involved.

Mr. HERTER. Mr. Speaker, in order to have a clear understanding as to what the real issue is in this piece of legislation and to determine whether or not this is antiunion or prounion legislation, let me read you a few extracts from the brief filed by the International Longshoremen's Union before the Supreme Court dealing with this matter. I think these extracts will clarify without any question of a doubt the fundamental issues that are involved here. The brief begins as follows:

The International Longshoremen's Association (AFL), hereinafter referred to as the ILA supports petitioners' appeal herein, because under the decision of the court below, the economic and social gains it has made for its membership as a whole over a period of 25 years would be seriously undermined. Its capacity to negotiate and reach agreements in good faith for the betterment of the general conditions of its members, including the fixing of wage scales and overtime rates—which in this industry are over and above and superior to the standards set by the Fair Labor Standads Act—would be destroyed. Elements of uncertainty would be introduced into the processes of collective bargaining. The promises of the parties solemnly entered into and relied upon in working out an industrial code for the industry, would no longer have that moral authority and economic predictability which is a basic and essential requirement for effective pursuit of the processes of collective bargaining.

What was the contract solemnly entered into between the employers and the employees? Again I read from the union's statement:

(a) Straight time rate shall be paid for any work performed from 8 a. m. to 12 noon and from 1 p. m. to 5 p. m., Monday to Friday, inclusive, and from 8 a. m. to 12 noon, Saturday.

(b) All other time, including meal hours and the legal holidays specified herein, shall be considered overtime and shall be paid for at the overtime rate.

Mark you, it is considered overtime, and is not considered premium time. Here is the statement of the union brief about that:

Overtime was fixed at time and a half the regular rate. No intricate computation to arrive at the overtime was necessary. The rates were clearly set forth, and no member of the union has ever expected overtime on overtime. No employer has ever expected that there would be a demand for it.

The union, speaking for its entire membership, cannot allow some of its members to repudiate individually an agreement as to what constitutes regular and overtime rates to which they, together with their fellow workers, jointly agreed through the orderly processes of collective bargaining over a long period of years. For the union to stand by idly when such repudiation is attempted would be to destroy the very foundation of bona fide collective bargaining.

Mr. LYNCH. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. LYNCH. Does the gentleman believe that a union and an employer can contract away a statute of the United States?

Mr. HERTER. I will answer the gentleman's question directly. The employer and the employee entered into a contract in good faith. Those contracts had been in existence for many years. Along came the Fair Labor Standards Act. The Administrator of the Fair Labor Standards Act never said specifically that this was a violation. He said he was not sure whether it was, and he never tried to enforce the Fair Labor Standards Act on them. It was not until the matter came into court that there was any question as to whether that act had been violated.

Mr. Speaker, I want to read now a part of the opinion of Mr. Justice Frankfurter, one of the three dissenters in this case. He said:

No time is a good time needlessly to sap the principle of collective bargaining or to disturb the harmonious and fruitful relations between employers and employees brought about by collective bargaining.

Then Justice Frankfurter makes this statement in regard to the Court's opinion. He said:

It treats the words of the Fair Labor Standards Act as though they were parts of a cross-word puzzle. They are, of course, a means by which the Congress sought to eliminate specific industrial abuses. The Court deals with these words of Congress as though they were unrelated to the facts of industrial life, particularly the facts pertaining to the longshoremen's industry in New York.

Mr. Speaker, I could continue with further quotations directly from the unions. I will read only the statement of the American Federation of Labor in regard to this matter. It is as follows:

A final important consideration. The result of the Bay Bridge decision reaches beyond the question of overtime only and adversely affects the interest of organized labor in other directions than in the loss of advantageous arrangements previously won. It strikes at the very foundation of collective bargaining. In some respects it interferes with the right of organized labor and employers to enter into agreements which are more advantageous to the workers than the minimum statutory provisions enacted for their benefit. It denies to organized labor the right to enter into contracts which in good faith seek to accord a broad and favorable interpretation of the word "overtime" and thus strikes directly at labor's power to improve its working conditions through the process of collective bargaining.

In my own district members of the Maritime Union came to me and they said, "We want to see this legislation enacted. We want to be considered honorable men who stick by our bargains. We do not want any windfalls that we never expected. Not only that, but we have refused to sign the petitions that are being circulated."

Let me say a word with regard to those petitions. I could show you photostat copies of the type of petition that was circulated by lawyers in order to get the longshoremen as their clients. They would line up the longshoremen and pass out these typewritten contracts. Twenty-six thousand men who are making appeal for back wages, have placed their contracts in the hands of a very few number of lawyers in New York City. One of those lawyers, testifying before the Senate Committee on Labor and Public Welfare, stated he would be willing to settle his claims for $10,000,000. That means $2,500,000 for his law firm. I will not mention the name of the law firm, but it is right here in the hearings so that anybody can read it. Naturally, the lawyers who have been getting these clients do not want us to interfere.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. COX. The substance of the statement made by the leaders of these labor unions and the allegations set forth in the briefs filed are to the effect that the honor of the unions cannot be upheld if the members were to be permitted to violate the terms of a solemn contract entered into?

Mr. HERTER. There is absolutely no question about that. The allegation is made that this bill is an antiunion bill; that we have to defend the individuals whom the lawyers got to bring these claims. No one ever did it on his own account. It was done by the lawyers, chasing after them like ambulance chasers, in order to make a fee which they wanted to settle in a collective amount. It seems to me we have a pretty good criterion there as to whether this is a labor or antilabor bill. Considering the fact that the subcommittee in the Senate conducted hearings on this matter at tremendous length, and reported to the full Committee on Labor unanimously, Republicans and Democrats alike, and this went to the Senate unanimously, making it retroactive to apply to all industries, it seems to me is about as good a test of the justice of this matter as anything that we could produce.

Gentlemen, like the gentleman from New York [Mr. MARCANTONIO], now standing, opposed the original bill on which the House had already made a determination by a vote of over 200 to 7, now questions the retroactivity which every fair-minded person says is the right thing to do. Every longshoreman who wants to live up to his contract says it is the fair thing to do.

Mr. McCONNELL. Will the gentleman yield?

Mr. HERTER. I yield.

Mr. McCONNELL. Is it not also the fact that the Department of Justice fought side by side with the stevedores, defending their case, and stated that the stevedore contract was in accord with the Fair Labor Standards Act?

Mr. HERTER. There is no question about that. The Fair Labor Standards Administrator never made a decision in the matter, and the Department of Justice, for the United States Government, took the opposite position, and defended the Maritime Commission in its interpretation. The Transport Service of the United States Army likewise took the same position. All the way through until this extraordinary decision by the Supreme Court was handed down, everyone assumed that the operators and longshoremen were working together in good faith; nor was there ever any question involved on the part of the men themselves as to whether the operators were working in bad faith. This whole matter had been trumped up by a few lawyers from the very beginning.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. HERTER] has again expired.

Mr. SABATH. Mr. Speaker, a few moments ago the gentleman from Texas [Mr. LUCAS] stated he was the only one who received any recognition. I apportioned the time according to the requests that had been made, and I did not deny anybody that requested time. I granted him as much time as I was able to do. The gentleman from Texas [Mr. LUCAS] came to me the very last minute after all the time had been given out by me. I had reserved a minute for myself and gladly yielded to him the only minute I had, which I did not use myself.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. LUCAS. I want to disabuse the gentleman's mind. My statement was to the effect that I was the only one on the committee representing the majority of the committee to receive recognition from the Democratic side.

Mr. SABATH. I think the gentleman's statement is correct, if that is what he said. But I yielded to all those who came to me. No one asked me for time. In fact, I asked several Members if they wanted to speak and they did not ask for any time; so I apportioned it to those who asked for it.

Mr. Speaker, I yield the balance of my time to the gentleman from Indiana [Mr. JACOBS].

Mr. THOMPSON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and seventy-three Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

Allen, Ill.	Furcolo	Pfeifer,
Angell	Gilmer	Joseph L.
Barrett, Wyo.	Gordon	Pfeiffer,
Bentsen	Gorski, Ill.	William L.
Buckley, N. Y.	Hall,	Powell
Bulwinkle	Edwin Arthur	Preston
Burke	Hall,	Redden
Canfield	Leonard W.	Rhodes
Cavalcante	Halleck	Ribicoff
Chatham	Harrison	Riehlman
Chudoff	Heffernan	Rivers
Clemente	Heller	Rogers, Mass.
Clevenger	Hoeven	Roosevelt
Corbett	Jackson, Calif.	Sadowski
Coudert	Kee	Smith, Va.
Davis, Tenn.	Keogh	Staggers
Dingell	Kirwan	Teague
Dolliver	McGregor	Thomas, N. J.
Dondero	Mack, Ill.	Wilson, Ind.
Doyle	Macy	Withrow
Durham	Meyer	Wolverton
Eaton	Mitchell	Woodhouse
Fisher	Morrison	
Fulton	Patman	

The SPEAKER pro tempore. Three hundred and sixty-four Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

OVERTIME PROVISIONS OF THE FAIR LABOR STANDARDS ACT

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from Indiana [Mr. JACOBS].

The SPEAKER pro tempore. The gentleman from Indiana is recognized for 5 minutes.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield.

Mr. JAVITS. I would like to state that I am opposed to the retroactive features which are before us now. Although I supported the bill before, I shall be unable to support the retroactive feature.

Mr. JACOBS. I thank the gentleman very much.

Mr. Speaker, I was a member of the committee when H. R. 858 was brought up for hearing. I was sitting there, and I saw the representative of industry and the representative of the longshoremen, and I heard them talk for about 30 minutes.

I turned to my colleague from South Carolina, and I told him, and he can verify it, "These gentlemen are trying to lead us down the dirt road and hand us something else."

That is exactly what has turned out. I then said that I wanted to put two questions, and I asked the gentleman who was there representing the Wage-Hour Administrator when the first ruling was handed down that stated that overtime pay applied to premium pay, and he said it was in 1943.

I put the question to him, and he answered it, and it is in the record.

I turned to Mr. Maloney, who represented the shipping industry, and I asked him, "Will you state to us now whether or not you are intending to ask to have the retroactive feature incorporated in this bill?" He stood first on one foot, and then he stood on the other, and he did not look to me like he wanted to answer the question, but he finally came to the conclusion that he could not say "No," because he did intend to ask for it, and he finally said, "Yes," they probably would.

We did not hold hearings on this bill before the House committee. When we talk about figures, we do not know what they were, because the Parliamentarian ruled that it was not germane to this bill as it came before us. But I do know this: I know there are a lot of people who are going to vote for this measure who will tell me that they believe in following the Constitution of the United States. I am going to say to you, if you believe in the separation of the powers of Government, then you cannot vote for this bill, because you have done exactly what Senator MORSE said in the Senate hearings. I wish I had time to read it, because he used exactly the same phrase I used later when I said they are trying to constitute this Congress a super Supreme Court. That is exactly what Senator MORSE said in the Senate hearings. He referred to it as a super Supreme Court retroactively changing a law that was passed in 1938.

Yes, I say to you again, I do not make up my mind whether I am going to vote for a piece of legislation on account of who is for it. I am not against it because this group of people may be for it, and I am not against it because that group of people may be for it; but I do say to you that you are being swept off your feet to vote for this legislation—to put in a retroactive feature—by a plan and a scheme—and I say to you with some modesty, at least, that I nipped it in the bud before the House Committee on Labor before they ever disclosed it.

I voted against it when it came back to the House from the committee; I voted against it on this floor.

I am not opposed to clarifying the regular rate; I think it should be clarified. I am going to tell you what I think this House should do if the membership would rise to the occasion and do what should be done: You should return this bill to the Committee on Rules with instructions to strike out the retroactive features of this legislation.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Minnesota.

Mr. WIER. I think it would be well for the gentleman from Indiana to relate the conditions under which the pressure was put on for immediate action on this bill: In connection with the signing of a contract or a strike, and they had to have this bill in 1 week.

Mr. JACOBS. That is true; we were told that; and I knew that there was something phony about it from the minute those people walked into the Committee on Labor.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired. All time has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and Mr. ROONEY demanded a division.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that there is not a quorum present, and I make the point of order that no quorum is present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and sixty-eight Members are present, a quorum.

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 207, noes 52.

Mr. ROONEY. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The resolution was agreed to.

The SPEAKER pro tempore. Without objection, a motion to reconsider will be laid on the table.

Mr. MARCANTONIO. Mr. Speaker, I object.

The SPEAKER pro tempore. The question is, Shall the motion to reconsider be laid on the table?

The question was taken and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.]

Two hundred and sixty-five Members are present, a quorum.

So the motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MULTER asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include a news release.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

PROMOTE REHABILITATION OF NAVAJO AND HOPI INDIANS

Mr. SABATH. Mr. Speaker, I call up House Resolution 282 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5208) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Lands, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order the consideration of the bill H. R. 5208, for the relief of the Navajo and Hopi Tribes of Indians, and provides for 1 hour of general debate.

The bill provides in part as follows:

That in order to further the purposes of existing treaties with the Navajo Indians, to provide facilities, employment, and services essential in combating hunger, disease, poverty, and demoralization among the members of the Navajo and Hopi Tribes, to make available the resources of their reservations for use in promoting a self-supporting economy and self-reliant communities, and to lay a stable foundation on which these Indians can engage in diversified economic activities and ultimately attain standards of living comparable with those enjoyed by other citizens, the Secretary of the Interior is hereby authorized and directed to undertake, within the limits of the funds from time to time appropriated pursuant to this act, a program of basic improvements for the conservation and development of the resources of the Navajo and Hopi Indians, the more productive employment of their manpower, and the supplying of means to be used in their rehabilitation, whether on or off the Navajo and Hopi Indian Reservations.

Mr. Speaker, if there ever was a worthy piece of legislation before this House it is this bill. If we owe anything to anyone in any way, we owe it to the unfortunate Indians of these two tribes, who are in a condition that was described before the Committee on Rules as being most unfortunate and cataclysmic. We have made a pledge and promise to these people that we will provide for them and treat them fairly, but unfortunately such has not been the case. What this bill aims to do is rehabilitate them, provide schools for their children, build a few roads, and provide other aid that is needed by them.

I am of the opinion that there cannot be anyone who can justly and conscientiously be against this bill. The bill originally called for $89,000,000, to be expended for them in the next 10 years. However, the Committee on Rules, after hearing the evidence, due to a desire to practice economy, insisted that some of the authorizations provided in the bill be reduced. The committee in their desire to get action for these people agreed to some of the reductions, so that the bill, in accordance with the agreement between the Committee on Public Lands and the Committee on Rules, will be reduced to about $71,000,000, or a reduction of about $18,000,000.

If you gentlemen had been present when the evidence was presented, as I was, you would have been ashamed of the fact that we have not long before this given aid to these citizens, and that we have delayed carrying out our pledges to and agreements with them.

I am not going to delay the House with a long statement, although I did intend to bring home to you the real situation. Believing that every Member will favor the adoption of the rule, I shall not take any more time.

Mr. Speaker, I now yield 30 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, so far as I know there is no objection to the granting of this rule. The rule makes in order a bill providing for a 10-year rehabilitation program for the Navajo and Hopi Tribes. It may seem a little cynical to say that a bill such as this should have been introduced in the Congress and should have been passed by the Congress a good many years ago. For many years the Indian tribes have been very seriously neglected by the Congress of the United States. I am very glad that this bill is now before us. The cynicism arises from the fact that it was only last year that the members of these Indian tribes were given the right to vote.

The bill provides for roughly $90,000,000 spread over a period of 10 years. When this matter came before the Committee on Rules the members of the committee, in interrogating witnesses, were convinced that the amounts asked for were excessive. The committee was very cooperative in seeing to what extent they could properly offer amendments to cut down the total amounts that are authorized in this bill. I am certain that when the bill is read for amendment the committee will offer those amendments which were proposed to the Committee on Rules.

Mr. PETERSON. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. PETERSON. After appearing before the Committee on Rules, we called the Committee on Public Lands together and told them of our discussions with the Committee on Rules. We reported favorably the committee amendments, amendments which we told the Committee on Rules we would offer. And by authority of the committee when the proper time arrives, I will offer those amendments as committee amendments.

Mr. HERTER. I thank the gentleman. I understand the amount is cut roughly $17,000,000?

Mr. SABATH. Around $17,000,000.

Mr. HERTER. That was my understanding.

Mr. PETERSON. It is not quite that much.

Mr. MORRIS. It is not quite that much, it would more nearly be around $12,000,000.

Mr. PETERSON. One figure was cut practically $1,000,000. Then we reduced the $20,000,000 to $10,000,000. We cut that in two. Then there was another $500,000 which was reduced to $250,000, and the other figure of $1,000,000 was reduced to $500,000. So we actually reduced one item $10,000,000, and another item $250,000. It amounts to $10,750,000, I think.

Mr. MORRIS. If the gentleman will yield, I believe I can clarify that.

Mr. HERTER. The misunderstanding there arose from the fact that as I understand it the chairman of our committee reached an agreement with the members of the committee that $5,000,000 should be taken from the school building program likewise. Am I correct in that statement?

Mr. SABATH. I believe that tacitly and not willingly it was agreed that provided they could get the rule because they so desire this legislation, they were willing to agree to that cut although I, myself, believe that we should not ask them to reduce that amount from the school fund. But they have agreed and I am ready in accordance with the agreement which I believe I made, which was not a positive one, to offer that amendment myself.

Mr. HERTER. I thank the gentleman.

Mrs. BOLTON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mrs. BOLTON of Ohio. May I ask if this money comes out of the tribal funds?

Mr. HERTER. No, the money comes out of the Treasury of the United States.

Mrs. BOLTON of Ohio. Can the gentleman tell us what the situation is, with reference to the Hopis and Navajos as to whether they come under the Wheeler Act of 1934, or not?

Mr. HERTER. I am afraid I am not sufficiently informed to be able to answer the lady's question. Was that in regard to the resettlement?

Mrs. BOLTON of Ohio. No. It is in regard to bringing all Indians into citizenship. Just the opposite has been the case in practically everything that the Indian Bureau has done to date. I was particularly interested that this should

bring about citizenship, as you expressed it.

Mr. HERTER. I think the lady had probably better address her question to members of the committee because we did not go into the entire question of what was happening to the Indian tribes.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. HERTER] has expired.

Mr. HERTER. Mr. Speaker, I yield myself five additional minutes.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. MORRIS. I do not want to have any misunderstanding in the beginning as to the agreement. We did agree with the Rules Committee that we would offer certain amendments. Those amendments have been indicated by the chairman of our committee, the gentleman from Florida [Mr. PETERSON]. I understood that after the rule was reported the Rules Committee itself would offer an amendment to reduce the amount still further. In other words, the amendment, as I understand it, will cut $5,000,000 off the amount for schools. We are not going to get into any scrap on that proposition. We will leave that up to the House. You gentleman may be right. I think you are in error. I believe we ought to have every dime. But as I say, we are not going to fuss over that proposition, but I did not want the RECORD to show that we had agreed to that particular matter.

Mr. HERTER. I thank the gentleman.

Furthermore, this is a 10-year program. The individuals who are interested in the program will have to justify before the Appropriations Committee, given appropriations for any part of the program year by year as it develops. If those who are interested in it find that the authorizations are not large enough, they will go to the Congress and ask for additional authorizations.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. FERNANDEZ. With respect to the $25,000,000 reduction for education, that is one item on which our committee was unanimous in thinking that it should not be made. We thought it was too low, if anything. That is one item on which I think this House ought not to make any change. If it were possible, it ought to increase it. This appropriation will take care of only 13,000, and there are 24,000 Indian children of school age now.

Mr. HERTER. I understand the gentleman's position. I understood the committee had agreed to a cut of $5,000,000 in this item.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has again expired.

Mr. HERTER. Mr. Speaker, I yield back the remainder of my time.

Mr. SABATH. Mr. Speaker, having no other demands for time, I move the previous question on the rule.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. PETERSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 5208, to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5208, with Mr. CARNAHAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Florida [Mr. PETERSON] is recognized for 30 minutes, and the gentleman from California [Mr. WELCH] will be recognized for 30 minutes.

Mr. SABATH. Mr. Chairman, will the gentleman yield 2 minutes to the gentleman from Pennsylvania? I promised him 2 minutes and I forgot about it.

Mr. PETERSON. I will yield the gentleman 2 minutes.

Mr. SABATH. I ask unanimous consent that the gentleman be allowed to speak out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DAVENPORT. Mr. Chairman, as you have seen by the paper, the chips are down; the battle is on. The big steel industrialists in their deliberate effort to bring on another depression have defied President Truman's appeal for peace on the labor front. It is very evident that they are inviting a strike. The great president of the CIO, and the steelworkers, Philip Murray, has made an open declaration that if a strike comes about it cannot be blamed on labor. The demands of labor for an adjustment of wages to meet the high cost of living are just. But the National Association of Manufacturers and the big industrialists are determined to plunge our Nation into a period of strife and strikes that will inevitably result in bloodshed and depression. With their greedy eyes fixed on the 1950 and 1952 elections, they are ready, willing and eager to sacrifice the unity of our people and the welfare of the great rank and file of the working men and women of our Nation in order to again fasten their grip on the Presidency and the Congress. Back to the ditch of depression and despair seems to be their slogan, but thank God we have a man in the White House, a spunky little fighter, one of America's greatest Presidents, who is saying to these evil forces in our Nation "don't count your chickens before they are hatched, boys. We are not going to have a depression because the American people of all classes are united behind our great humanitarian program and with the help of God we will win."

Now is the time for all Americans to take off their coats, roll up their sleeves and fight this desperate effort on the part of the worst reactionaries in our country who, in order to gain their ends, would throw this country into a depression. Yes, even war. Let us all get behind our great President now in this time of threatened storm both at home and abroad. And if we put up a real fight we will march forward to the full realization of the Democratic platform of 1948 guaranteeing to every citizen regardless of race, creed, or color the right to work at decent wages, broadened social security, a 75 cents minimum wage law, civil rights, and repeal of the infamous Taft-Hartley law.

I wish to conclude by quoting from an article in the New York Times, Thursday, July 14:

> Senator HUBERT H. HUMPHREY, Democrat of Minnesota, declared today that by its reply to the President's request, the United States Steel Corp. "is making it clear that it prefers crisis to national welfare."
>
> In a statement issued in his capacity as national chairman of Americans for Democratic Action, Senator HUMPHREY said:
>
> "This may well be the first real use made of the Taft-Hartley law by big business to crush trade unionism. It is significant that the United States Steel Corp. in its reply to the President and in its refusal to act in the public interest uses the Taft-Hartley law as its shield."
>
> The Minnesota Senator congratulated Mr. Murray and his union for their "concern for the public welfare" in agreeing to Mr. Truman's plan. Saying that the President had asked both parties to place the public interest above their private interest, he regretted that United States Steel "saw fit to ignore the public interest and insist on its own way." He added that "the significance of this action will not be lost on the American people."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DAVENPORT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. MASON. Mr. Chairman, I object.

Mr. PETERSON. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, I doubt if I shall use the entire 5 minutes to which I am entitled. I try to follow the policy of speaking only when I think it might be helpful; I do not usually speak just to be making a speech. I know of no real opposition to this bill so I do not know that I really should speak at this time; but probably, since I am chairman of the Subcommittee on Indian Affairs of the Committee on Public Lands, I should make just a few observations, and I shall do so at this time.

These people whom we seek to aid in this bill are good people. It is true, they are a subject people; we subjugated them many years ago, but we made a solemn treaty with them that we would do certain things. We have not yet halfway started to live up to that treaty. We told them back in 1868 that if they would stop their fighting and make peace with us that we would give them a schoolhouse or a schoolroom and a teacher for every 30 pupils. That is what we told them.

Now, this bill which provides $25,000,000 for their education does not nearly live up to that treaty, but it starts us in that direction. I have seen those people from out there, I talked to them when they appeared before the committee. They are people of native intelligence and ability, they are good folks, just like we are. They are living under

conditions that we ought to be thoroughly ashamed of. They are living in little hogans, as they call them, with no windows and dirt floors. Their rate of TB is one of the highest in all the world, so I am informed; at least much higher than the average in this great country of ours. The mortality rate among newborn babes is something like 4 or 5 times greater than that among the rest of the people of this country, as I understand it.

We put them out there on a desert land and they are not able to live there without some help and assistance. I just feel certain that this honorable body of ladies and gentlemen—that the entire Congress of the United States—is going to do something to relieve the situation. It is true that there is a rather large amount requested here, but it covers a period of 10 years. We are going in the direction we should have been going before, and I find no fault with anyone at all in regard to this matter. We, perhaps, are all to blame for not having awakened long since to our full responsibilities and obligations in this matter.

We are now launching on a program of rehabilitating these people, helping to make them self-sustaining, and in order to do that we will have to spend some money. The primary, fundamental, essential thing is education, and in order to bring about education we are going to have to build some roads out there. There are very few roads there on their reservation. Also, we are going to have to build some hospitals. We are going to have to dig some wells. You know, water is of primary concern in that country, as the people in the Golden West well know, and especially those in that part of the West.

What we are proposing in this bill to do is to carry on a health and education program, a program that will enable them to find employment and work. They are good workmen. They are skilled in many arts and sciences. They want to work, and we want to help them, and I am sure we are going to help them.

Mr. BYRNE of New York. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield to the gentleman from New York.

Mr. BYRNE of New York. Can the gentleman give us any information as to what their health condition is at the present time or what it has been in the not too remote past?

Mr. MORRIS. Their health condition is not nearly up to the average of America. As I suggested a while ago, their rate of tuberculosis is much higher than any of the rest of our population. It has been stated, and I assume correctly, by doctors and others who ought to know, and I assume they do know, that a great many of them are really undernourished. Their health is not as good as it ought to be, primarily on account of the lack of facilities that the rest of us enjoy.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PETERSON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. BYRNE of New York. What can the gentleman say about eye trouble? I understand they are subject to a great deal of eye trouble.

Mr. MORRIS. They are subject to trachoma, an eye trouble, but that is improving. They have found a process or treatment for that and it is improving rapidly. However, they do have a lot of eye trouble yet. They have a great many diseases that are brought about, I believe, from the evidence I heard, largely by malnutrition and especially by the unsanitary conditions under which they are forced to live.

Mr. WELCH of California. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, within a brief year, upon learning through the press of this country of their deplorable condition, the hearts of the American people went out to the Navajo and Hopi Indians. The bill now under consideration offers the first comprehensive plan to meet the terrible distress existing among some of our Indian tribes who have been shoved around from pillar to post, and too long neglected.

In the treaty of 1868 with the Navajo Indians the United States Government set aside 16,500,000 acres of land, creating a reservation approximately the size of the State of West Virginia. Much of this land is arid and contains some of the poorest in the West. There were less than 9,000 Navajo Indians when this treaty was signed. At that time they managed to exist by hunting wild game and raising cattle and sheep. Now, however, their population has increased to over 60,000 and is increasing at the rate of 1,200 yearly. The overcrowding on this land, much of which is semibarren, has reduced the average family income to less than $400 per year. From the best reports obtainable, the infant mortality rate is continually increasing until it is now 318 per 1,000, or 7 times greater than that for the average United States population. There are practically no field doctors or nurses attending these 60,000 Americans.

The same tragic story can be told concerning education. With some 24,000 children of school age, only 8,000 have any schooling whatsoever and they average less than 3 years. This means that 16,000 Indian children, wards of the Federal Government, receive no educational opportunities to help them to help themselves. Only 12 percent of the Navajo Indians included in the selective service records of 1943 could speak the English language.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield right at that point?

Mr. WELCH of California. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. It has been stated time and time again in the committee hearings that there are facilities for 8,000 children of school age. Actually, there are school facilities for only 6,000 children. That is the record.

Mr. WELCH of California. Mr. Chairman, what is true with respect to the Navajo and Hopi Indians is true to more or less degree with American Indians on other western reservations. This tragic condition should not be allowed to endure. The whole problem of the American Indian, particularly in the West, requires immediate attention in the manner provided for in this bill. The legislation under consideration provides for a long-range program that will make the Indians of both the continental United States and Alaska economically self-sufficient. The present disgraceful conditions cannot be permitted to continue. It is a blot upon our Government.

The Navajo and Hopi Indians are nomadic in their habits. They should be educated and given an opportunity to break away from tribal conditions of centuries to make their way in the world and become first-class American citizens. They are humans as you and I and must be treated as such.

Mr. PETERSON Mr. Chairman, I yield 7 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I should like to take 70 times 7 minutes to discuss this adequately.

First, I want to speak concerning the responsibility for the Indian problem which we face. I cannot fix that responsibility accurately but I can hint at it. Who is responsible? The Federal Government has failed to carry out its obligations to these people. The failure has extended over several decades, at least 80 years in the case of the Navajo and Hopi Indians.

As far as political parties and administrations are concerned in this responsibility, the pot cannot call the kettle black. I want it distinctly understood that this problem has been growing worse year by year. Now is the time to take hold of it with vigor and apply the remedy. This bill does it when followed by suitable appropriations.

While I am speaking of blame, I want also to express appreciation and much praise to my colleagues. For my own part I have made personal efforts to attract attention to this great problem time after time, especially in the Committee on Indian Affairs, of which I am a member. I recall that in 1944 I begged the Committee on Indian Affairs to go into those reservations. A committee was appointed that was headed by Congressman Jim O'Connor, of Montana. The vice chairman was former Congressman KARL MUNDT. With them were the gentleman from New Mexico, Congressman FERNANDEZ, Congressman Gilchrist, and myself. Unfortunately we were not able to get on those reservations, but we did make a report. At that time the report, written chiefly by Mr. O'Connor and Mr. MUNDT, criticized the Indian Service severely for spending too much of the money appropriated for overhead and not getting enough down where it was intended to serve. I mention that in passing.

I assure you that I personally have been interested in the plight of these unfortunate people. They are good human stock, but the Navajos are in a primitive state of society. Somebody asked me the other day how their white neighbors feel toward them. Let me express how I feel toward them. I have worked and lived among Indians. I value them as much as I do any of my white neighbors. Just recently I appointed a full-blood Hopi Indian to

West Point. A few weeks ago he was admitted. He is probably the first full-blood Indian ever to be admitted to our Military Academy. I cite that in passing.

Now I want to review just a few things. No organized and adequate effort in Congress to solve this problem was made until the Eightieth Congress. I begged the gentleman from Montana [Mr. D'EWART], chairman of the subcommittee in the Eightieth Congress, to take a subcommittee out to that Indian reservation. Unfortunately in 1944 our committee did not get there. However, in 1947 the gentleman from Montana [Mr. D'EWART] took a small subcommittee out there and examined conditions, and for that I want to give him full credit. When we came back here in December 1947 we made a report. The splendid chairman of the full committee was present, although it was not necessary for him to attend that special meeting. When he heard our report he was horrified and said that we must do something.

Hardly before we had time to think twice he called a meeting of the full Committee on Public Lands and introduced a bill. He had that bill entitled for the relief of the Navajos. Knowing that the Hopi Indians, only 4,000 of them, living in the midst of 60,000 Navajos, were in the same condition, I asked that the bill include the Hopis, which was done. Then the committee acted, and you recall the rest. An authorization for $2,000,000 was passed by this House for that purpose and subsequent appropriations were made.

Some of my friends said, "Is $2,000,000 enough?" I said, "It all depends on what you intend to do. If it is merely for immediate relief it may be more than is necessary, but if you mean an adequate program for rehabilitation, it is not a drop in the bucket."

The gentleman from New Mexico [Mr. FERNANDEZ] and I, being from that area, said, "Do not deceive the American people." Thousands of letters were coming in from every State in the Union, sent in by church people, saying, "Do something for these unfortunate people," recognizing their plight. The gentleman from New Mexico [Mr. FERNANDEZ] and I probably bored our committee friends by saying, "Do not deceive the people by inadequate action. This is merely the first step. This is for relief, needed as it is, but the most important thing is the long-range program."

Mr. Chairman, we have met today to consider the bill which provides for that long-range program. I want to give credit to those Members who did the groundwork for this great program in the Eightieth Congress. I want to give credit, further, to my good friend, the gentleman from Oklahoma [TOBY MORRIS], for having sponsored this legislation which carries out the earlier program. He has builded better than he yet knows, for this program will lift this people out of the depths.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I am glad to yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. Mr. Chairman, I appreciate the gentleman yielding. I particularly want to thank him as a Member of the Eightieth Congress for saying that the Eightieth Congress did accomplish something. As a Member of the Eightieth Congress, I have always had an interest in the American Indian. After all, I am sure the gentleman will agree with me that they were the original Americans.

Mr. MURDOCK. Yes. As Will Rogers said, his ancestors were there to meet the *Mayflower*.

Mr. O'HARA of Minnesota. The treatment of some of our Indians certainly has been no great credit to this country. Certainly the people who come from the section of the country that the gentleman from Arizona does, and his neighbors, know that what we are doing by this bill is the humane thing to do.

Mr. MURDOCK. I thank the gentleman and will say I agree with the gentleman that the history of our treatment of the American Indians is not a matter of which we may be proud. There has been altogether too much neglect, all too frequent violation of treaties, and very often an unwise policy pursued even by the friends of the Indians. I must confess that I am often at a loss to know what is the wise and just policy for our Government to pursue in regard to our Indian citizens. I am convinced that the just policy is to confer upon them the benefits of full citizenship just as soon as they are capable of entering into all the rights and privileges of citizens, but, first and foremost, we must supply them with education and civilizing conditions of life to fit them for taking their place with their white neighbors in the white man's way of life. What is the wisest policy to accomplish that necessary training often confuses the minds of the best of statesmen and even of the friends of the Indians.

Among my colleagues here in Congress I find the right spirit and attitude of friendliness toward the Indians as is evident now in this committee. The trouble in recent years, as I have observed it, is that it is hard for Members of Congress to understand the problem of the Navajo, which is the No. 1 Indian problem of our country, because of a lack of knowledge of his homeland and the harsh natural conditions under which he must now live. It is because several committees in recent years have gone out on that vast reservation and seen for themselves what we from that area have been unable to tell them that the fruitful legislative efforts in the Indians' behalf have been put forth.

All of this I greatly appreciate, but even at the risk of making myself a nuisance I must remind my colleagues that the tremendous task of lifting a nation from barbarism to civilized life will require long and continued effort. The enactment of this legislation is but a beginning, and must be followed by similar programs through many generations.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. CRAWFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I am glad to have this opportunity to rise in support of this legislation. It is the culmination of long hearings and a great deal of study. A report was written on the Navajo and Hopi Reservations in 1945. Another hearing was held in 1946 and again in 1948. Again this year our committee held extensive hearings. In addition to that, the Department of the Interior made a long study. The result of that study is this report which I hold in my hand. It is a very interesting report on the conditions of the Navajos and the cause and result of what has happened there.

Our subcommittee 3 years ago visited this reservation, as the gentleman from Arizona has said. We viewed conditions with our own eyes. When we returned to the Congress we asked for an appropriation from our Committee on Appropriations in order to give relief to these people. They generously granted funds at that time.

But what we need on this reservation is a long-time rehabilitation program and not a relief program. We are attempting in this bill to provide for a long-time program.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mrs. BOLTON of Ohio. Does the gentleman feel that the money is adequate? Does the gentleman think that $25,000,000 for education over a period of 10 years is sufficient? My personal opinion is that it is really nothing.

Mr. D'EWART. It is a good start on what we do need.

Mrs. BOLTON of Ohio. Yes; it is.

Mr. D'EWART. Of course it does not take care of all the Indians on the reservation, as I shall bring out in a moment. The program of development of reservations resources even if they were developed to the full will only take care of one-half of the Indians who live there. We have to find off-reservation employment for the other Indians.

Mrs. BOLTON of Ohio. Of course, the gentleman will also appreciate that the children are very important to take care of.

Mr. D'EWART. That is right. We are making a good start with this program—an excellent start.

The situation now on the Navajo and Hopi Indian Reservations is that there are 61,000 Navajos representing an increase in the population of 600 percent since the time in 1868 when the treaty was signed which made them wards of the Federal Government. As I have indicated, the reservations will only support about half of these Indians even after we have developed the resources as planned in this program.

There are some 24,000 school children. This program contemplates the education of about half of them. At the present time we are educating about 8,000 children. This program will enlarge that school system until we take care of 13,000 or 14,000 children.

Many of these Indians will have to leave this reservation. Until we can determine what will become of those who have to leave the reservation, it is difficult to determine the rest of the program with regard to child education. The

average income of the family on the reservation is about $400, chiefly from livestock.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. FERNANDEZ. If they do not leave the reservation, this bill, as far as education is concerned, is wholly inadequate; is it not?

Mr. D'EWART. Yes. It is a good start, however, we think.

As I said, the income per family is about $400, largely from sheep and livestock operations.

The diet is insufficient. You will see babies with their stomachs swollen, and other indications of malnutrition. You will see a great many children with sore eyes. You will see old people as well as young people blind, where, if they could have been treated properly this would not have happened.

The housing is inadequate. The hogans have bare floors. The cooking is done outside with only the most primitive utensils, perhaps a frying pan and a coffeepot, and not much more.

In 1934 the Government undertook a stock reduction program, necessary because of the erosion on the reservation. When they took the stock off the reservation, that left a great many of the Indians with no livelihood. Sheep were their livelihood, and when we took them away they were left without a livelihood. We did not provide an alternative way for them to make a living, which made a very difficult situation for those who were left. There are very few roads. Their means of livelihood are very meager. In 1947 the Congress recognized this situation. It got so bad that the Appropriations Committee appropriated $2,000,000 for relief that winter. You will remember the stories in magazines and the pictures that were shown, and the situation that happened that winter. Not only was $2,000,000 made available, but the whole country contributed to the relief of these Indians. They were brought through in a very poverty-stricken way. The next winter we appropriated for further relief $500,000 more. That has been the situation—a hand-to-mouth existence. We have not had any long-range program.

Under H. R. 5208 it is proposed to set up a long-range program for the rehabilitation of these Indians. It is a 10-year program, that will provide in many ways to set them on their feet so that they can be more self-supporting than they are now.

Soil and water conservation and range improvement are very much needed because of the erosion conditions there. The completion or expansion of some 78 small irrigation projects that range from a few acres up to perhaps 2,000 acres. It is proposed under this program to enlarge and expand those small-irrigation projects, scattered here and there, so that they will provide such food as can be raised on them.

A survey of the timber and mineral resources and other physical and human resources is needed, so that we can develop them to more adequately serve these people. The development of their industrial enterprise is required. These people have a sawmill enterprise. They are very good in rug making and in silver work, and things like that. We should develop off-reservation work. I want to speak on that a minute. These Indians, contrary to what many people think, are good workers. When they are given an opportunity, they are splendid workers. The railroads hire them for right-of-way work. The mining companies use them. In the appropriation 2 years ago we earmarked some funds for use in helping these Indians get work off the reservation. Mrs. Adams has handled that off-reservation work in a splendid manner in cooperation with the United States Employment Service. In the last year there were some seven or eight thousand jobs provided for Navajo Indians off the reservation. The money that they earned has been returned to their families. This has been a splendid undertaking in helping these Indians to help themselves. It has been of advantage to the sugar-beet industry, the railroad companies, and the mining companies in that area.

In addition to that, it is a means of instruction to these Indians in working for other people and the education they get in working off the reservation; that is something that is certainly a fine program and has got to be extended if we are going to take care of those who cannot remain on the reservation. We are providing in this bill for the relocation of some of these families down on the Colorado River on a project there that was developed by the Japanese. We believe a number of families can be transferred down there to their advantage.

We provide for road work in this bill. I may say that in providing for these different activities we contemplate that the Indians will be employed wherever possible on road work or whatever undertaking goes forward so that they can learn how to do these jobs and best be able to support themselves. Some radio and telephone communication is necessary. Domestic water supply has got to be developed, because water is very scarce under this reservation, exceedingly scarce; and oftentimes when it is found it is not fit to use. We have provided in this bill that no hospital, school, or development will be undertaken except subsequent to the geological survey finding the water adequate.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. CRAWFORD. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. D'EWART. This water survey is exceedingly important, in order to develop the schools and hospitals they must have on this reservation. Without adequate water studies we do not have the background necessary to go forward.

We are proposing a loan of $5,000,000 for these Indians so they can borrow some money to buy livestock, to get better breeding stock, to increase the wool which is grown on their sheep, and possibly to help them in getting education off the reservation, help them with the facilities they need in providing for new industrial development. I think, therefore, this loan is a very important item in this program. Hospital bedding and equipment is provided in the bill, and, as has been brought out by the previous speaker, this additional hospital equipment is very necessary. After we shall have provided it there still will be less than half as many hospitals for these Indians per thousand as there are in the rest of the country.

School buildings are the principal item in the bill, $25,000,000—certainly the most important item of all. More than 80 percent of these people do not speak English. If they are going to get work off the reservation, if they are going to be able to provide for themselves, they must be able to speak English, they must be able to write in order that they may send funds back to their families. As it is, we have to make arrangements with the trader before they leave so that he takes care of their financial affairs and sends the money back to the family. So education is the basis of all future effort on this reservation.

A small sum is provided for housing facilities which will be used largely around the agency and the school buildings and such places where many will have to live.

That, very briefly, is the program that is provided; it is a 10-year program, certainly a minimum of effort and one that is justified for these people who are, perhaps, the most poverty-stricken people in the United States. Talk about slum clearance. Here is where we need slum clearance; certainly here is where we need to help people who are so backward, and I hope this bill will receive the favorable action of the House because it is action that has long been needed and action that I hope will be taken today for the benefit of these people so they may become self-supporting and self-respecting citizens of these United States.

Mr. PETERSON. Mr. Chairman, I yield such time as he may desire to the gentleman from New Mexico [Mr. MILES].

Mr. MILES. Mr. Chairman, I rise in support of the pending bill.

Mr. PETERSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. PATTEN].

Mr. PATTEN. Mr. Chairman, on March 11, I introduced a bill, H. R. 3489, which would authorize a long-range program for the rehabilitation of the Navajo and Hopi Indian Tribes and for the better utilization of their resources. I cannot overemphasize the need for early action on this legislation, which has been submitted by the Secretary of the Interior, acting on the specific directive of the President.

Mr. Chairman, there is to my knowledge no group of American citizens in greater need of, or more deserving of, assistance than these Indian tribes—not assistance to help them exist at a near-starvation level, but assistance which will enable them to get on their feet economically and to raise their own standard of living to what can truly be called American. While I am well aware that other tribes, including the Papagos in my own State of Arizona, are also faced with very serious problems and likewise deserve assistance, I am limiting my remarks at this time to the Navajos and Hopis because their problem, and a start

toward solving it, are now squarely before us.

Let me outline briefly the major aspects of the problem as it exists on the Navajo Reservation today. I think the members who do not have first-hand information will find it hard to believe that such conditions can be found in the United States of 1949. The Navajo Reservation is a vast expanse of 16,000,000 acres, approximately the size of the State of West Virginia, located in Arizona, New Mexico, and Utah. Most of the land is poor—arid and semiarid land suitable only for grazing, and some of it not even good enough for that. Soil erosion is a serious menace. It is not only further depleting the land resources at an alarming rate, but is also endangering the huge investment in Hoover Dam and in many communities which depend upon the Colorado River for irrigation, domestic water, and electric power. The Hopis live in a much smaller area, completely surrounded by their Navajo neighbors. Except on the fringes of this vast area, all-weather roads are nonexistent. Even in the best of weather, travel is slow and costly. This is a serious handicap to the Indian economy and to the health, education, and other activities of the Indian Service.

Living on and adjacent to the reservation are more than 62,000 Navajos trying to make a living out of a land which cannot support them. It is estimated, in fact, that in its present state of development, the lands available to the Navajos can support only 20,000 persons at what we would consider an acceptable standard. And even when it is fully developed, as proposed by the Interior Department, the reservation will support only 35,000 persons at a minimum subsistence level. It is clear, therefore, that a substantial portion of the Navajos must ultimately seek a living away from the reservation, a fact which is recognized in the Department's program.

The great majority of Navajos live in abject poverty. The Navajo family lives in a hogan—a one-room structure built of logs and mud, with no floor, windows, or sanitary facilities. The Navajo diet is deficient and malnutrition widespread. Health deficiencies are numerous, and closely related to the socio-economic status and the mode of living of the Indians. The tuberculosis and infant mortality rates are believed to be the highest in the United States, the latter being more than four times the national rate.

Education is one of the most serious aspects of the problem. Today there are school facilities, including schools on and off the reservation, for only one-third of the children of school age. And let us not forget that this condition exists despite the promise made by the United States in its treaty of 1868 with the Navajo Tribe to provide a school and teacher for each 30 Navajo children of school age.

A problem of this size and gravity can be successfully attacked only on an overall basis. The critical conditions now threatening every phase of Navajo life are all interrelated and cannot be treated on a makeshift or halfway basis. We have tried that system up to now, and it has not worked. There must be a comprehensive plan in which all phases of the problem are dealt with on a coordinated basis. In my opinion, the plan proposed by the Secretary of the Interior would accomplish this end. Very briefly, it is designed to achieve three basic goals: First, to provide adequate education, health, and other public services generally available to other American citizens; second, to develop the natural resources of the reservation to a degree which will provide a decent standard of living for as many members of the tribe as possible; and, third, to encourage and assist in off-reservation resettlement for those Navajos for whom no means of earning a living is available on the reservation.

As a representative of these fine people, including the 3,600 Navajos who served our country so well in the recent world war, I urge that the Nation's responsibility to them be no longer delayed.

Mr. PETERSON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill has been explained more or less in detail and a very fine explanation made by Members who preceded me. I want to give you very briefly a history of this bill.

Last year the situation was such that there was more or less Nation-wide interest aroused with reference to the problems of the Navajo and Hopi Indians. The situation at that time was such that the Congress passed an appropriation for the emergency then existing.

The Congress felt at that time, while it wanted to alleviate the situation resulting from the emergency, it would be much better if a long-range program were developed. There was a provision in that authorization definitely directing that a study be made and a report be made to the Congress. That did not come out of our committee; it came from another committee. However, as a result of study, a plan for long-term rehabilitation was submitted to the Congress. That came to us by Executive order and in the message which appears in the report is a clear-cut statement of the fact this will assist in rehabilitation.

It is a question whether we will from time to time hand out a dole or whether we want to proceed on a practical, businesslike basis in our effort to rehabilitate these people. We have broken our contract with those people. We have not provided adequate facilities for schools. They are harassed by disease. Human consideration as well as good business actually requires that we pass this bill and I sincerely hope it may be passed by unanimous vote of the House.

Mr. CRAWFORD. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, there are a great many people at Columbia University and at the Union Theological Seminary in my district who are critically interested in this legislation. I think it is long overdue. It is a very fine effort at long last to do the right thing by these original Americans.

I hope the bill passes and shall support it, of course.

Mr. CRAWFORD. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, I want to congratulate the committee for presenting this legislation. I happen to know something about conditions down in the Navajo and Hopi area, having visited there 2 years ago.

May I say, as I have so many times stated after listening to testimony brought before our Subcommittee on Appropriations for the Interior Department, that to permit such conditions to exist in these great United States is a disgrace upon our great Government. As a medical man I was actually astounded and ashamed at conditions such as exist in the Navajo and Hopi area.

I am very pleased that our Public Lands Committee has seen fit to report out this legislation. I hope it will be a good start toward rehabilitating that great area. Of course, it is my hope that they will not put any schools or hospitals at any spots where water is scarce to take care of those institutions. Water is basic, and for my part, I believe a great many of those Indian families will have to be transferred to some other area.

The death rate from tuberculosis and the infant mortality is so much greater in the Navajo and Hopi area than it is in the rest of the United States that something must be done.

The morbidity rate in children is also high due in my opinion to the poor supply of water and milk.

The living conditions and the unsanitary environment are inexcusable in this great land of ours.

Tuberculosis, dysentery in children, diphtheria, typhoid fever, and malnutrition are diseases that can and should be controlled. Yet, they are continuing in a manner that is astonishing. Disease is prevalent. You would hardly believe that such diseases as typhoid fever, and diphtheria could exist in the United States with the vast medical progress that we have made. But, those conditions do exist down there, and I am certainly happy on this occasion to help put through this legislation and hope that it will be passed unanimously.

Mr. PETERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I am for this bill. The Navajo Indians are a great people. They are brave, and when the call came in the last war their boys enlisted and went into the service and did great work in the defense of our country. The Navajos are working under a great many handicaps. They inhabit one of the driest sections of the United States. I think everybody knows how parched and dry is that part of the great State of Arizona that they inhabit. These people need all the help that this Government can give them. They are dependent on grazing and raising livestock for a living, but the necessary financing as contained in this bill is what is needed. It is to the credit of the United States that we are doing this thing, and I am certainly for this bill. I hope to see the day when the Navajos will become a prosperous tribe and be

what they were intended to be, a great race of people.

Mr. CRAWFORD. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, nearly everything that could be said about the Navajos has been said. I wish to state, however, that I am not personally in favor of the committee amendments. I do not believe there should have been any cut in this bill. However, I shall not oppose the committee amendments in order to get the bill passed and out of the way.

I wish to state, for the information of the Members, that in the last 3 years a different approach has been taken in the solution of the Indian problem. Up to that time all that this Congress did was to feed the Indian when he was hungry; but 3 years ago, under the chairmanship of the gentleman from Montana [Mr. D'EWART] and continued under the leadership of the present chairman the gentleman from Oklahoma [Mr. MORRIS] we are taking the Indian problem seriously. We are going to get them to be American citizens, and we are going to get them out of wardship. That is the aim and the purpose.

Heretofore appropriations were made in lump sums; that was a mistake. A lot of the blame that we heap upon the Indian Bureau, although they are entitled to some of it, was the blame and the fault of the Congress itself. We failed to realize that the solution of this problem could not be brought about by lump-sum appropriations, but by studying each and every tribe and its requirements, and then providing sufficient funds to rehabilitate them so that they could become self-sustaining and independent citizens.

I may state for the information of this Congress you may as well know it now as later that we are going to come in with requests for a lot more appropriations. These will be for the purpose of getting rid of the Indian problem in the future. If we continue the appropriations merely for subsistence, then the Indian problem will be here Congress after Congress. We have been at that for over 100 years. Let us get through with this Indian problem by rehabilitating them and by putting them on their feet.

For the benefit of some of my friends who ask us what we have done in that regard, may I say that there is another very important bill pending. That is the D'Ewart bill. In that bill we emancipate the Indian. We permit him to become an independent citizen. We enable him to get out of wardship, if the State court says he is competent. He does not have to depend on the Bureau any longer to approve his competency. The local court will determine that.

In addition, we provide that from now on, from the time that the bill is finally passed and signed by the President, every Indian child born will be no longer a ward of the Government after he or she becomes 21 years of age. Then they will have to go on their own, whether they want to or not.

In the meanwhile, we are perfectly willing to let the Indians that want to die as wards pass on and go to heaven as wards, but after 21 years they will go there as free and independent citizens of the United States.

I am sure every Member of Congress knows the importance of that class of legislation. You know the importance, first, of studying each and every tribe separately, its needs, its ability, its environment, and all that has been stated here so ably by the gentleman from Montana [Mr. D'EWART] and by my colleague who is now the chairman, the gentleman from Oklahoma [Mr. MORRIS].

I shall state however that I hope there will be no cut in education. I am not in favor of the other cuts, but I shall make no fuss about them because the committee has accepted them and I shall abide by the committee's decision.

Mr. PETERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I take this opportunity to extend my compliments to the distinguished chairman of this committee and to the gentleman from Idaho, the gentleman from Oklahoma, the gentleman from Arizona, and the gentleman from Florida, and the many other distinguished Members who have addressed themselves to this bill in behalf of the Navajo Indians. I can say that the people from my district as well are glad that this blight upon the escutcheon of our country is going to be removed and this care taken.

However, I want to use this as the vehicle to bring to the attention of this committee and the other Members of the House the fact that in the anthracite coal fields of Pennsylvania there have been for a generation or more at least 20,000 men between the ages of 18 and 50 who are just as good Americans and just as unemployed as the Navajo Indians, and who need just the same kind of opportunity for gainful employment, security, and rehabilitation. In a district of 500,000 people I have today 25,000 unemployed men, and there is no hope, without the aid of this Congress, of these good Americans being gainfully employed and being placed in a position where they are not upon the public dole or forced to go to GI schools in order to support themselves and their families by subterfuge.

While I commend this subcommittee and the full committee and the House upon its care and assiduous attention to this important problem of the Indians, which I recognize, I appeal to them to give some attention and consideration to these other Americans in the great coal fields of Luzerne County, Pa., who are in desperate and dire need. My people do not ask for charity—they want to work—they want jobs—decent jobs for decent pay under decent working conditions. In no place in America is there such a grave and acute unemployment problem—and it has been existing for years. Congress can no longer ignore it and starting with this speech I intend to keep this matter continually before the Congress until something constructive and lasting is done about it. The Navajo Indians may be the "vanishing Americans" but the unemployed of my congressional district are the "forgotten Americans."

Mr. PETERSON. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, I rise at this time to express my sincere and heartfelt thanks to the members of our subcommittee on Indian Affairs, as well as the members of the full Committee on Public Lands, for their fine cooperation and untiring efforts in this matter. We have tried, and I believe we have been successful in our subcommittee on Indian Affairs, as well as the full Committee on Public Lands, to keep partisanship entirely out of the picture. We realize that this is not in any sense a partisan matter. We realize that our friends from the other side of the aisle are just as interested in these Indian matters as we are on this side. I want to say that no one could ever have any finer cooperation from our friends on the other side of the aisle than I have had as chairman of this subcommittee.

It is usually unwise to pick out individual members for compliments. Every member of our committee is a fine person. They are all people of integrity and ability. I want to thank them for their untiring efforts. But I must pick out one member. The chairman of the subcommittee during the last Congress was the gentleman from Montana [Mr. D'EWART]. As you all know, he is on the other side of the aisle from me. But I say to you if there was ever a person who has demonstrated that he has absolutely no feeling of jealousy and absolutely no feeling of resentment whatsoever about the fact that I am chairman of the committee this time instead of his being such chairman, it certainly is the gentleman from Montana [Mr. D'EWART]. He has attended every hearing, I believe, and we have been in session almost continuously every day for what seems like months. He has been there all the time. He is honest, sincere, capable, and dependable. I just felt that I should particularly mention him by name. He certainly has a wealth of knowledge concerning matters with which our committee deals, and he certainly has been most helpful to me as a new chairman. It does not mean that I look upon him with any greater feeling of respect and esteem and admiration than on any other member of the committee. They are all people of the finest and highest type. They know the Indian problems, and especially the Navajo and Hopi problem, better than I do. I will admit frankly and freely that I have sat, as chairman of this committee, at the feet of these men and women, and I have learned a great deal.

I have learned this is a good bill, and I want to express my sincere appreciation to the members of the subcommittee and the full committee for the fine work they have done with regard to this bill.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PETERSON. Mr. Chairman, we have no further requests for time.

Mr. D'EWART. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I wish to thank the chairman of our subcommittee for his

fine remarks. He has been an able, hard-working and industrious leader of this committee.

Mr. Chairman, I ask unanimous consent that all who spoke on this bill may have permission to revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, I yield the remaining time to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I just want to take this time to state for the purposes of the record as one who has long been interested in the welfare of the Hopis and Navajoes that I think this is one of the greatest steps forward that the Congress has ever taken in the interest of developing a proper long-range program to solve the problem of these two tribes. I want to enthusiastically compliment the committee and to raise my voice in support of this legislation. I believe this is a step in the direction that will ultimately give full rights of citizenship to these Indians and give them the right to enjoy the same privileges that other American citizens enjoy under other existing law.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That in order to further the purposes of existing treaties with the Navajo Indians, to provide facilities, employment, and services essential in combating hunger, disease, poverty, and demoralization among the members of the Navajo and Hopi Tribes, to make available the resources of their reservations for use in promoting a self-supporting economy and self-reliant communities, and to lay a stable foundation on which these Indians can engage in diversified economic activities and ultimately attain standards of living comparable with those enjoyed by other citizens, the Secretary of the Interior is hereby authorized and directed to undertake, within the limits of the funds from time to time appropriated pursuant to this act, a program of basic improvements for the conservation and development of the resources of the Navajo and Hopi Indians, the more productive employment of their manpower, and the supplying of means to be used in their rehabilitation, whether on or off the Navajo and Hopi Indian Reservations. Such program shall include the following projects for which capital expenditures in the amount shown after each project listed in the following subsections and totaling $90,000,000 are hereby authorized to be appropriated:

(1) Soil and water conservation and range-improvement work, $10,000,000.

(2) Completion and extension of existing irrigation projects, and completion of the investigation to determine the feasibility of the proposed San Juan-Shiprock irrigation project, $9,000,000.

(3) Surveys and studies of timber, coal, mineral, and other physical and human resources, $500,000.

(4) Development of industrial and business enterprises, $1,000,000.

(5) Development of opportunites for off-reservation employment and resettlement and assistance in adjustments related thereto, $3,500,000.

(6) Relocation and resettlement of Navajo and Hopi Indians (Colorado River Indian Reservation), $5,750,000.

(7) Roads and trails, $20,000,000.

(8) Air transport facilities, $680,000.

(9) Telephone and radio communication systems, $500,000.

(10) Agency, institutional, and domestic water supply, $2,500,000.

(11) Establishment of a revolving loan fund, $5,000,000.

(12) Hospital buildings and equipment, and other health conservation measures, $4,750,000.

(13) School buildings and equipment, and other educational measures, $25,000,000.

(14) Housing and necessary facilities and equipment, $820,000.

(15) Common service facilities, $1,000,000.

Funds so appropriated shall be available for administration, investigations, plans, construction, and all other objects necessary for or appropriate to the carrying out of the provisions of this Act. Such further sums as may be necessary for or appropriate to the annual operation and maintenance of the projects herein enumerated are hereby also authorized to be appropriated. Funds appropriated under these authorizations shall be in addition to funds made available for use on the Navajo and Hopi Reservations, or with respect to Indians of the Navajo Tribes, out of appropriations heretofore or hereafter granted for the benefit, care, or assistance of Indians in general, or made pursuant to other authorizations now in effect.

SEC. 2. The foregoing program shall be administered in accordance with the provisions of this Act and existing laws relating to Indian affairs, shall include such facilities and services as are requisite for or incidental to the effectuation of the project herein enumerated, shall apply sustained-yield principles to the administration of all renewable resources, and shall be prosecuted in a manner which will provide for completion of the program, so far as practicable, within 10 years from the date of the enactment of this act. An account of the progress being had in the rehabilitation of the Navajo and Hopi Indians, and of the use made of the funds appropriated to that end under this act, shall be included in each annual report of the work of the Department of the Interior submitted to the Congress during the period covered by the foregoing program.

SEC. 3. Navajo and Hopi Indians shall be given, whenever practicable, preference in employment on all projects undertaken pursuant to this act, and, in furtherance of this policy, may be given employment on such projects without regard to the provisions of the civil-service and classification laws. To the fullest extent possible, Indian workers on such projects shall receive on-the-job training in order to enable them to become qualified for more skilled employment.

SEC. 4. The Secretary of the Interior is authorized under such regulations as he may prescribe, to make loans from the loan fund authorized by section 1 hereof to the Navajo Tribe, or any member or association of members thereof, or to the Hopi Tribe, or any member or association of members thereof, for such productive purposes as, in his judgment, will tend to promote the better utilization of the manpower and resources of the Navajo or Hopi Indians. Sums collected in repayment of such loans and sums collected as interest or other charges thereon shall be credited to the loan fund, and shall be available for the purpose for which the fund was established.

SEC. 5. Any restricted Indian lands owned by the Navajo Tribe, members thereof, or associations of such members, or by the Hopi Tribe, members thereof, or associations of such members, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for public, religious, educational, recreational, or business purposes, including the development or utilization of natural resources in connection with operations under such leases. All leases so granted shall be for a term of not to exceed 25 years, but may include provisions authorizing their renewal for an additional term of not to exceed 25 years, and shall be made under such regulations as may be prescribed by the Secretary. Restricted allotments of deceased Indians may be leased under this section, for the benefit of their heirs or devisees, in the circumstances and by the persons prescribed in the act of July 8, 1940 (54 Stat. 745; 25 U. S. C., 1946 ed., sec. 380). Nothing contained in this section shall be construed to repeal or affect any authority to lease restricted Indians lands conferred by or pursuant to any other provision of law.

SEC. 6. In order to facilitate the fullest possible participation by the Navajo Tribe in the program authorized by this act, the members of the tribe shall have the right to adopt a tribal constitution in the manner herein prescribed. Such constitution may provide for the exercise by the Navajo Tribe of any powers vested in the tribe or any organ thereof by existing law, together with such additional powers as the Congress has recognized to be proper for inclusion in the constitutions and charters of Indian tribes who desire to secure political and economic powers of self government. Such constitution shall be formulated by the Navajo Tribal Council with the approval of the Secretary of the Interior and shall be effective upon adoption by secret ballot of the adult members of the Navajo Tribe in an election held under such regulation as the Secretary may prescribe, at which a majority of the qualified votes cast favor such adoption. Amendments of the constitution may be formulated and adopted in like manner.

SEC. 7. Notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter placed to the credit of the Navajo Tribe of Indians in the United States Treasury shall be available for such purposes as may be designated by the Navajo Tribal Council and approved by the Secretary of the Interior.

SEC. 8. The Tribal Councils of the Navajo and Hopi Tribes and the Indian communities affected shall be kept informed and afforded opportunity to consider from their inception plans pertaining to the program authorized by this act. In the administration of the program, the Secretary of the Interior shall consider the recommendations of the tribal councils and shall follow such recommendations whenever he deems them feasible and consistent with the objectives of this act.

SEC. 9. From and after the effective date of this act, all Indians within the tribal or allotted lands of the Navajo and Hopi Reservations shall be subject to the laws of the State wherein such lands are located, and shall have access to the courts of such State for the enforcement of their rights and the redress of wrongs to the same extent and in the same manner as any other citizen thereof: *Provided, however,* That all classes and character of property now exempt from taxation shall continue to be and remain exempt from taxation by the State until otherwise provided by Congress; and that, until otherwise provided by Congress, all Federal and tribal laws and regulations respecting the management, assignment, inheritance, or disposition of lands shall be recognized and enforced where such laws or regulations are in conflict with State laws: *Provided further,* That nothing herein contained shall be construed as authorizing the State to interfere in any manner with the administration of the school system as provided and administered by the Federal Government for such Indians, except that the respective State school curricula shall be installed and followed in the Navajo schools so far as feasible: *And provided further,* That nothing in this act provided shall be deemed to impair the terms and obligations of any existing statute or treaty between the United States Government and the said Indians, nor take away the jurisdiction now exercised by the Federal Government or the tribes, but in all cases the jurisdiction of the State, the Federal, and the tribal courts shall be concurrent.

Mr. PETERSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that it be printed in the RECORD at this point, and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 14, strike out "$90,000,000" and insert "$89,320,000."

Mr. PETERSON. Mr. Chairman, I ask unanimous consent that consideration of that amendment be deferred until we perfect this section of the bill by other amendments.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 7, strike out all of the line.

The committee amendment was agreed to.

The Clerk read as follows:

Page 3, lines 8, 10, 12, 14, 16, 18, and 20, strike out the numbers and insert "8", "9", "10", "11", "12", "13", and "14."

The committee amendments were agreed to.

The CHAIRMAN. The question is on the committee amendment on page 1.

The committee amendment was agreed to.

Mr. PETERSON. Mr. Chairman, I offer three committee amendments, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. PETERSON: On page 3, line 6, strike out "$20,000,000" and insert in lieu thereof "$10,000,000."

The amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. PETERSON: On page 3, line 9, strike out "$500,000" and insert in lieu thereof "$250,000."

The amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. PETERSON: Page 3, line 20, strike out "$1,000,000" and insert in lieu thereof "$500,000."

The amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 15, strike out all of section 6, and insert in lieu thereof the following:

"SEC. 6. In order to facilitate the fullest possible participation by the Navajo Tribe in the program authorized by this act, the members of the tribe shall have the right to adopt a tribal constitution in the manner herein prescribed. Such constitution may provide for the exercise by the Navajo Tribe of any powers vested in the tribe or any organ thereof by existing law, together with such additional powers as the members of the tribe may, with the approval of the Secretary of the Interior, deem proper to include therein. Such constitution shall be formulated by the Navajo Tribal Council at any regular meeting, distributed in printed form to the Navajo people for consideration, and adopted by secret ballot of the adult members of the Navajo Tribe in an election held under such regulations as the Secretary may prescribe, at which a majority of the qualified votes cast favor such adoption. The constitution shall authorize the fullest possible participation of the Navajos in the administration of their affairs as approved by the Secretary of the Interior and shall become effective when approved by the Secretary. The constitution may be amended from time to time in the same manner as herein provided for its adoption, and the Secretary of the Interior shall approve any amendment which in the opinion of the Secretary of the Interior advances the development of the Navajo people toward the fullest realization and exercise of the rights, privileges, duties, and responsibilities of American citizenship."

The committee amendment was agreed to.

Mr. SABATH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SABATH:

On page 3, line 3, strike out "$3,500,000" and insert "$3,000,000."

On page 3, line 5, strike out "$5,750,000" and insert "$5,250,000."

On page 3, line 17, strike out "$25,000,000" and insert "$20,000,000."

Mr. SABATH. Mr. Chairman, I offer this amendment because of my desire to secure a rule on this, what I consider a most humane, deserving, and needed piece of legislation. I did not feel that I could obtain a rule from the committee unless some cuts were made. The original bill provided for $89,000,000. Personally I believe that the committee reporting this bill, especially the gentleman from Oklahoma [Mr. MORRIS], were so desirous and anxious to get favorable consideration that they agreed to these three amendments that the committee has offered.

In addition to that, the committee felt we should cut down the appropriation for the school fund from $25,000,000 to $20,000,000, and two other minor amendments.

As I said, I believe that the funds will be needed for the education, aid, and assistance of these poor, unfortunate citizens, but I am complying with the wishes and requests of my committee, and I offer this amendment pursuant to the instruction of the Rules Committee. It is up to you gentlemen to pass upon whether or not we should reduce that appropriation for school purposes for the 24,000 children who have been deprived of a school. There are no schools there whatsoever, and the need is great. I have not been there. All I can go by is the evidence that was presented. I was tremendously impressed with the statements of these gentlemen and their anxiety to be of service to these people, because they felt as I felt, that we have delayed doing our part for these suffering people.

Mr. SHORT. Mr. Chairman, will the distinguished gentleman yield briefly?

Mr. SABATH. I yield.

Mr. SHORT. I have exceedingly few, if any, Indians in my district, but I hope that I have a heart. It seems to me anyone with a drop of the milk of human kindness in him would have to support this measure. I think our treatment of the American Indian through all these years has been disgraceful and indefensible. I feel exactly as I think the distinguished chairman of the Committee on Rules feels, that the amounts placed in the bill by the Committee on Public Lands are the amounts we should like to have; and I would like to ask the chairman of the Committee on Rules if there was a gentleman's agreement between the Rules Committee and the members of the Committee on Public Lands? If there was such a gentleman's agreement in order to get a rule for the consideration of this measure, that agreement should be kept. I cannot see that it makes much difference, the slight amounts that are involved here; the important thing is that you have taken a step in the right direction, and when more funds are needed they can come back to Congress and get them.

Mr. SABATH. The three amendments offered by the chairman of the committee were those that they agreed would be offered. I had no power. The members of the Rules Committee insisted that they reduce and reduce the appropriation called for. I was trying to bargain with the committee. Finally I suggested a little cut here and a small cut there in the hope that I would get the rule out, being supremely desirous of obtaining action because of the tremendous plea that was made to me especially by the gentleman from Oklahoma [Mr. MORRIS] and the chairman of the committee, pleading, and urging, that a rule be granted. So I did it in order to get action.

The evidence presented so ably to the Committee on Rules by the gentleman from Florida, Chairman PETERSON, the gentleman from Oklahoma [Mr. MORRIS], the gentleman from New Mexico [Mr. FERNANDEZ], the gentleman from Arizona [Mr. MURDOCK], the gentleman from New Mexico [Mr. MILES], and the gentleman from Montana [Mr. D'EWART] was indeed both shocking and revealing.

Mr. SHORT. But was there a tacit gentleman's agreement between the members of the Committee on Rules and the members of the Committee on Public Lands as to the amount contained in the gentleman's amendment? That is what I should like to know as a member of this body.

Mr. SABATH. The members of the Committee on Public Lands had already gone. I stated to the Committee on Rules that in view of prevailing conditions, I was going to try to talk to the committee in charge of the bill and ask them whether they would be willing to reduce various requested appropriations. I said that they were so anxious to get this bill through that they might agree to cut further and I said I was going to introduce this amendment.

Mr. SHORT. Believing in this legislation, I want the members of the Committee on Rules to be satisfied so that when this Committee on Public Lands comes back for more money the Committee on Rules will not refuse them. They had better stay in good graces with them.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PETERSON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. PETERSON. The gentleman from Missouri asked as to whether we had a gentleman's agreement between the Committee on Rules and the Committee on Public Lands. The agreement was as to the amendments that I introduced and which have already been agreed to.

Mr. SABATH. The gentleman is correct.

Mr. PETERSON. The amendment which the gentleman from Illinois has now introduced and which is pending was something the Committee on Rules thought of after the members of the Committee on Public Lands had left; is not that right?

Mr. SABATH. That is right.

Mr. PETERSON. I want to be sure on that, because we keep our gentlemen's agreements. We do not want the members of the Committee on Rules to think we did not keep our agreement with them.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. GAVIN. I ask the gentleman, knowing him to be a very kindly, sympathetic character: Would he be angry with us if we were to vote the amendment down?

Mr. SABATH. I am sure such action would not hurt my feelings, because I was for the original bill.

Mr. GAVIN. The gentleman would not be angry with us if we should vote against his amendment?

Mr. SABATH. No, no; I would not. Being chairman of the Committee on Rules I frequently find myself forced to do things that are not agreeable to me personally, but I do my duty like a good soldier.

Mr. GAVIN. We want to thank you for your very kindly attitude in the matter.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois.

Mr. Chairman, the explanation given by the chairman of the Rules Committee is very clear to the Members of the House. In carrying on the discussion of this Navajo-Hopi rehabilitation bill now before the House, we have talked in terms of the money being expended over a 10-year period. That is one of the provisions in the bill in connection with the rehabilitation of the Navajo-Hopi Indians.

The Committee on Indian Affairs has spent long hours and a great deal of time in reviewing the terms that have gone into this bill. I doubt that many pieces of legislation have come before the House of Representatives as thoroughly gone into as I happen to know the Indian Affairs Committee spent upon this particular piece of legislation.

It was repeatedly brought out that if these Navajos and Hopis are to be properly rehabilitated it will be necessary to have a certain amount of off-the-reservation employment and in order that they have that proper chance to engage in work off the reservation there was an item in the bill that carried $20,000,000 for building roads in the reservations. In cutting this amount to $10,000,000 I hope it is not the intention of this House to feel that the $10,000,000 will be the answer in building roads for 10 years, because if that be true I am certain it will greatly handicap the rehabilitation work of the Indian. I am hoping that the Indian Bureau will see fit to put these roads in as soon as they possibly can to reach every corner of that particular reservation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to make the observation that the gentleman from Illinois [Mr. SABATH], chairman of the Rules Committee, has made a very frank confession to members of the committee. He says he is carrying out the instructions of the Rules Committee but his own personal views are contrary. This standing committee has considered the pending bill very carefully and has reported it out. The Rules Committee has imposed certain conditions. The committee as a whole in its wisdom may reject those conditions that have been imposed upon the standing committee. As far as I am concerned, I am going to vote against the amendment.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on behalf of the tribal councils of the Winnebago, the Santee Sioux, the Ponca, and the Omaha Indians, of Nebraska, I want to express my deep appreciation to this committee for bringing this bill to the floor, and I urge its passage.

The members of the Indian tribes in my district that I have mentioned have a great interest in this particular piece of legislation because the conditions which exist on the reservations of those four tribes in some parts are very similar to some of the conditions that exist on the Navajo and Hopi reservations.

When this bill comes before the Committee on Appropriations of the House to implement this authorization I hope it will not contain the amounts mentioned in the amendment offered by the gentleman from Illinois [Mr. SABATH]. I hope when the members of the Omaha, Winnebago, Santee Sioux, and the Ponca Indians request some relief they will be given at least a part of the consideration you are giving to these suffering Indians in this bill. The health conditions, the law-and-order conditions, and the educational conditions on the reservations to which I refer are very serious.

I hope when these Indians come before you for some relief, you will give them at least some consideration.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I just want to compliment the gentleman on a very fine statement and to say that in western Pennsylvania there is a great deal of interest being displayed that Congress take some action and afford relief to these Navajo Indians. I am greatly pleased to have this opportunity to support this legislation here today.

Mr. STEFAN. I thank the gentleman.

Mr. WADSWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Illinois [Mr. SABATH] has offered three amendments. One has to do with the appropriation carried in line 3, another one has to do with the school buildings, and another one which has to do with section 6. I just want to ask this question of the members of the standing committee. Take the appropriation of $3,500,000 for the development of opportunities for off-reservation employment. As I gather it, there are about 30,000 Indians on that reservation who should find jobs elsewhere. The effort is to find employment for them. This appropriation would indicate that it is going to cost over $1,000 per Indian to find the jobs. That is one of the things that the Committee on Rules questioned. Why should it cost $3,500,000 to find employment in the neighborhood of the reservation for 30,000 Indians? It was the recommendation of the gentleman from Illinois [Mr. SABATH], and the recommendation of the Committee on Rules also, that that only be reduced by $500,000, leaving $3,000,000.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. That shows that the Committee on Rules has not had the evidence before it, because if that is the understanding of the Committee on Rules that that is all that is going to be done with the $3,500,000, they would be right about it, but that is not all they are going to do. There are a lot of other things that have to be done to resettle these people, for example, over in the Red River Reservation, and finding land for them, providing facilities for them, and so forth. You cannot take a big group of Indians like that and just throw them out on a white community, you have to take care of them. This is a 10-year plan. You have to continue this year after year, and that very clearly shows that the Committee on Rules has not had the evidence before it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. SABATH].

The amendment was rejected.

Mr. PETERSON. Mr. Chairman, I ask unanimous consent to return to the first amendment on lines 14 and 15 and send to the Clerk's desk, by direction of the committee, an amendment as a substitute for the printed amendment in the bill.

The Clerk read as follows:

Committee amendment: Page 2, line 18, strike out "$90,000,000" and insert "$89,320,000."

Substitute amendment offered by Mr. PETERSON: Page 2, line 15, strike out the sum and insert in lieu thereof "$78,570,000."

The substitute amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOPER) having assumed the chair, Mr. CARNAHAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5208) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, pursuant to House Resolution 282, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1407) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETERSON: Strike out all after the enacting clause of the bill S. 1407 and insert in lieu thereof the provisions of the bill H. R. 5208 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent the proceedings by which the bill (H. R. 5208) was passed were vacated, and the bill was laid on the table.

PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire of the majority leader as to the program for next week.

Mr. McCORMACK. On Monday the Consent Calendar will be called, and then there will be two suspensions, one on H. R. 5632, a bill from the Committee on Armed Services, to reorganize the fiscal management in the National Military Establishment, and the other, S. 1184, from the Committee on Banking and Currency, known as the military installation housing bill. Following the suspensions, the United Nations participation bill, H. R. 4708, will be considered.

On Tuesday the Private Calendar will be called.

I have reserved Tuesday, Wednesday, Thursday, and Friday for the consideration of H. R. 5345, the Agricultural Act of 1949. If all that time is not required to complete action on that bill, I shall announce toward the end of next week the further program for the week.

As usual, conference reports may be brought up at any time, on agreement between the leaders.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill H. R. 5208, which has just been passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, 1950

Mr. ROONEY submitted the following conference report and statement on the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes:

CONFERENCE REPORT

(H. Rept. No. 1063)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4016) "making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 7, 8, 9, 11, 12, 13, 14, 16, 18, 27, 28, 29, 30 and 31.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 6, 15, 17, 21, 22, 24, 25, 26, 33, 39, 40, 41, 42, 43, 44, 45 and 46, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,000,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,299,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,800,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,079,500"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,825,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$700,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,400,000"; and the Senate agree to the same.

Amendment numbered 37; that the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$24,179,000"; and the Senate agree to the same.

Amendment numbered 38; That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$400,600"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5 and 10.

JOHN J. ROONEY,
DANIEL J. FLOOD,
CLARENCE CANNON,
KARL STEFAN,
IVOR D. FENTON,
Managers on the Part of the House.

PAT MCCARRAN,
KENNETH MCKELLAR,
THEODORE FRANCIS GREEN,
LEVERETT SALTONSTALL,
STYLES BRIDGES,
KENNETH S. WHERRY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF STATE

Amendment No. 1: Corrects a citation to the U. S. Code, as proposed by the Senate.

Amendment No. 2: Appropriates $13,000,000 for buildings fund, instead of $20,000,000 as proposed by the House and $9,520,100 as proposed by the Senate.

Amendment No. 3: Authorizes the purchase of ten passenger motor vehicles by the International Boundary and Water Commission, United States and Mexico, as proposed by the Senate, instead of fourteen, as proposed by the House.

Amendment No. 4: Appropriates $1,120,000 for salaries and expenses of the International Boundary and Water Commission, United States and Mexico, as proposed by the House,

instead of $1,122,800 as proposed by the Senate.

Amendment No. 5: Reported in disagreement.

Amendment No. 6: Corrects language as proposed by the Senate.

Amendment No. 7: Authorizes the purchase of three passenger motor vehicles under the appropriation for International Information and Educational Activities, as proposed by the House, instead of four as proposed by the Senate.

Amendment No. 8: Appropriates $34,000,000 for International Information and Educational Activities, as proposed by the House, instead of $32,343,900 as proposed by the Senate.

Included in the conference agreement is the sum of $171,000 for aid to American-sponsored schools abroad.

The new curtain-type antennas at domestic short wave transmitters requested by the Department are disallowed.

Amendment No. 9: Authorizes the transfer of not to exceed $2,760,000 to other appropriations of the Department of State from the appropriation for International Information and Educational Activities as proposed by the House instead of $2,598,000 as proposed by the Senate.

DEPARTMENT OF JUSTICE

Amendment No. 10: Reported in disagreement.

Amendment No. 11: Appropriates $1,114,600 for Contingent expenses, Legal Activities and General Administration, as proposed by the House, instead of $663,600 as proposed by the Senate.

Amendment No. 12: Appropriates $218,000 for Traveling expenses, Legal Activities and General Administration, as proposed by the House, instead of $150,000 as proposed by the Senate.

Amendment No. 13: Appropriates $3,750,000 for Salaries and expenses, Anti-trust Division, as proposed by the House, instead of $3,650,000 as proposed by the Senate.

Amendment No. 14: Deletes the Senate proposal to make a separate appropriation for the Lands Division.

Amendment No. 15: Appropriates $44,000 for the payment of claims pursuant to the act of March 15, 1949 (Public Law 17), as proposed by the Senate.

Amendment No. 16: Appropriates $52,585,141 for Salaries and expenses, Federal Bureau of Investigation, as proposed by the House, instead of $50,987,000 as proposed by the Senate.

Amendment No. 17: Provides that not to exceed $750,000 of the appropriation for Salaries and expenses, Federal Bureau of Investigation, shall be available for liquidation of obligations incurred in fiscal year 1949, as proposed by the Senate.

DEPARTMENT OF COMMERCE

Amendment No. 18: Eliminates the Senate proposal for the purchase of one additional passenger motor vehicle for the Office of the Secretary.

Amendment No. 19: Provides a maximum of $4,000 for the replacement of one passenger motor vehicle for the Office of the Secretary instead of $3,000 as proposed by the House and $5,000 as proposed by the Senate.

Amendment No. 20: Appropriates $1,299,000 for Salaries and expenses, Office of the Secretary instead of $1,200,000 as proposed by the House, and $1,358,000 as proposed by the Senate.

Amendment No. 21: Appropriates $41,885,000 for the Seventeenth Decennial Census, as proposed by the Senate, instead of $43,000,000 as proposed by the House.

Amendment No. 22: Appropriates $870,000 for General administration, Bureau of the Census, as proposed by the Senate, instead of $755,000 as proposed by the House.

Amendment No. 23: Provides contract authority in an amount not exceeding $26,800,000 for Establishment of air-navigation facilities, instead of $18,300,000 as proposed by the House and $27,300,000 as proposed by the Senate.

Amendments Nos. 24, 25, and 26: Appropriates $196,500 for Construction, Washington National Airport, as proposed by the Senate, instead of $21,500 as proposed by the House.

Amendment No. 27: Eliminates the provision proposed by the Senate placing a limitation of $80,000 on the amount used from the appropriation for Federal-aid airport program for services connected with the office of the General Counsel.

Amendment No. 28: Restores the provision of the House providing a limitation of $130,000 on the administrative expenses under the appropriation for Air navigation development, Civil Aeronautics Administration.

Amendment No. 29: Eliminates the provision proposed by the Senate allowing the transfer of $56,600 from the appropriation for Air navigation development to the appropriation for Salaries and expenses, Civil Aeronautics Administration.

Amendment No. 30: Eliminates the Senate proposal authorizing the purchase of four passenger motor vehicles by the Civil Aeronautics Board.

Amendment No. 31: Appropriates $3,620,500 for salaries and expenses, Civil Aeronautics Board, as proposed by the House instead of $3,780,000 as proposed by the Senate.

Amendment No. 32: Appropriates $2,079,500 for Field office service, Bureau of Foreign and Domestic Commerce, instead of $2,031,000 as proposed by the House and $2,106,000 as proposed by the Senate.

Amendment No. 33: Appropriates $4,550,000 for Export control, Bureau of Foreign and Domestic Commerce, as proposed by the Senate, instead of $5,000,000 as proposed by the House.

Amendment No. 34: Appropriates $10,825,000 for Salaries and expenses, Patent Office, instead of $10,625,000 as proposed by the House, and $10,925,000 as proposed by the Senate.

Amendment No. 35: Provides a limitation of $700,000 for improvements to buildings, grounds, and other plant facilities, National Bureau of Standards, instead of $600,000 as proposed by the House and $800,000 as proposed by the Senate.

Amendment No. 36: Appropriates $1,400,000 for Operation and administration, National Bureau of Standards, instead of $1,310,000 as proposed by the House and $1,510,000 as proposed by the Senate.

Amendment No. 37: Appropriates $24,179,000 for Salaries and expenses, Weather Bureau, instead of $24,000,000 as proposed by the House, and $24,359,000 as proposed by the Senate. The Conference Committee directs the Weather Bureau to provide weather stations at Scottsbluff, Nebraska and on the islands of Kauai and Hawaii, T. H. as previously recommended by the Senate. The Weather Bureau is also directed to absorb the reduction made by decreasing the amounts for administrative expenses and other objects, and not by closing existing weather stations.

THE JUDICIARY

Amendment No. 38: Appropriates $400,600 for Salaries and expenses, Customs Court, instead of $400,100 as proposed by the House and $401,120 as proposed by the Senate.

Amendment No. 39: Appropriates $2,067,000 for Miscellaneous salaries, as proposed by the Senate, instead of $2,037,000 as proposed by the House.

Amendment No. 40: Excepts from the limitation on the aggregate salaries paid to secretaries and law clerks appointed by one judge, within grade promotional increases and compensation paid for temporary assistance needed because of an emergency, as proposed by the Senate.

Amendment No. 41: Limits the aggregate salaries paid to secretaries and law clerks appointed by one judge to $6,700 per annum as proposed by the Senate instead of $6,500 as proposed by the House.

Amendments Nos. 42 and 43: Correct language as proposed by the Senate.

Amendment No. 44: Limits the aggregate salaries paid to secretaries and law clerks appointed by the chief judge of each circuit and the chief judge of each district court having five or more district judges to $9,000 as proposed by the Senate, instead of $7,500 as proposed by the House.

GENERAL PROVISIONS

Amendments Nos. 45 and 46: Approve language changes in Section 601 as proposed by the Senate.

AMENDMENTS IN DISAGREEMENT

The managers on the part of the House have authorized the following motions to be made with respect to the amendments in disagreement.

Amendment No. 5: (Relating to Construction, International Boundary and Water Commission, United States and Mexico). The House managers will move to recede from disagreement to the amendment of the Senate numbered 5 and concur therein.

Amendment No. 10: (Relating to the appropriation for legal activities not otherwise provided for, Department of Justice). The House managers will move to recede from disagreement to the amendment of the Senate numbered 10 and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert: $5,680,400.

JOHN J. ROONEY,
DANIEL J. FLOOD,
CLARENCE CANNON,
KARL STEFAN,
IVOR D. FENTON,
Managers on the Part of the House.

Mr. ROONEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 4016.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. STEFAN. Reserving the right to object, Mr. Speaker, and I shall not object, may I ask how the gentleman intends to divide the hour to which he is entitled on the conference report?

Mr. ROONEY. It will be perfectly agreeable to me to divide it between the gentleman from Nebraska and myself.

Mr. STEFAN. Very well.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 14, strike out all of line 21, down to and including line 19 on page 15, and insert:

"For detail plan preparation and construction of projects authorized by the convention concluded February 1, 1933, between the United States and Mexico, the acts approved

August 19, 1935, as amended (22 U. S. C. 277-277d), August 29, 1935 (Public Law 392), June 4, 1936 (Public Law 648), June 28, 1941 (22 U. S. C. 277f), and the projects stipulated in the treaty between the United States and Mexico signed at Washington on February 3, 1944, $900,000, to be immediately available, and to remain available until expended: *Provided*, That no expenditures shall be made for the lower Rio Grande flood-control project for construction on any land, site, or easement in connection with this project except such as has been acquired by donation and the title thereto has been approved by the Attorney General of the United States: *Provided further*, That expenditures for the Rio Grande bank-protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the act approved April 25, 1945 (Public Law 40): *Provided further*, That unexpended balances of appropriations for construction under the International Boundary and Water Commission available for the next preceding fiscal year shall be merged with this appropriation and shall continue available until expended."

Mr. ROONEY. Mr. Speaker, I offer a motion, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate No. 5 and concur therein.

Mr. ROONEY. Mr. Speaker, this conference report represents the unanimous judgment of the managers on the part of the House on the bill (H. R. 4016) making appropriations for the Departments of State, Justice, and Commerce, and the Federal Judiciary for the fiscal year ending June 30, 1950.

There are a few items in the bill with which this conference report is concerned, that we conferees, representing the House, are not entirely satisfied with. However, a conference is always a matter of give and take and compromise so as to arrive at a conclusion which is for the best interests of the people of the country.

The final result of the conference, if adopted by this House, will show that there is a reduction from the amount of the budget estimate for the coming fiscal year—of course we really already are in that fiscal year because of the delay on the part of the other body—there is a reduction from the amount of the budget estimate of approximately 8½ percent. The total amount requested by the Bureau of the Budget was $740,362,956, while the total amount represented in this conference report is $677,972,102, or $62,390,854 less than the amount originally requested by the Bureau of the Budget.

The total amount of the bill as originally passed by the House was $684,616,102, while the amount set forth in this report is $677,972,102, or $6,644,000 less than the total amount passed by the House last April.

There are only two amendments in disagreement, concerning which we shall offer motions, the first of which is now pending before you. The pending motion concerns the appropriation for the International Boundary and Water Commission, United States and Mexico, and primarily refers to the Falcon Dam project, which is on the boundary river between the two countries. Under the action recommended by the conferees there is added the amount of $900,000 in cash beyond the amount of cash originally allowed by the House; however, I must point out that while your conferees agreed upon allowing this $900,000 increase in cash, there is also a reduction of $2,900,000 in contract authority for the International Boundary and Water Commission, United States and Mexico.

The only other motion which I shall offer concerns the appropriations for the Department of Justice. The action of the House originally lumped together six divisions of the Attorney General's Office, appropriationwise under the title "Legal Activities Not Otherwise Provided For": The Lands Division, Tax Division, Criminal Division, Claims Division, Customs Division, and special attorneys. The action of the Senate upon passage of this bill eliminated the Lands Division from this lump appropriation. Under the agreement arrived at by the conference committee and at the request of the Attorney General, in the interest of more efficient operation of his office, the Lands Division goes back into this lump appropriation.

I am at a loss at the moment to recall the items in this report with which you would be most specifically concerned, but one of them, I know, is the building fund of the Department of State. I am going to leave to my good friend and distinguished colleague, the ranking member and former chairman of the subcommittee, the gentleman from Nebraska [Mr. STEFAN], the explanation of the action of the conferees on that item.

I may say that the conferees have met on this bill beginning the 21st of June and have had quite a number of interesting sessions with the members of the conference committee from the other body. I wish to extend my respects and thanks for their cooperation, kindness, patience, and courtesy to my fellow-conferees, the gentleman from Pennsylvania [Mr. FLOOD], the gentleman from Georgia [Mr. PRESTON], the esteemed chairman of the great House Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], the gentleman from Nebraska [Mr. STEFAN], and the gentleman from Pennsylvania [Mr. FENTON], who ably took the place of the gentleman from Ohio [Mr. CLEVENGER], who, because of illness, was unable to serve as a member of the conference committee.

I shall also say that we all, those distinguished gentlemen whom I just mentioned and I, are sincerely grateful to the executive secretary of our committee, Mr. Jay Howe, for his splendid and faithful work as well as to Mr. George Y. Harvey and Mr. Kenneth Sprankle and all of the members of the staff of the Committee on Appropriations.

I respectfully urge the adoption of both motions as to the amendments reported in disagreement, the pending motion to recede from disagreement to the amendment of the Senate No. 5, and concur therein, and my next motion to recede from disagreement to the amendment of the Senate No. 10 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,680,400." This latter motion refers only to the lumping of the six appropriations in the Office of the Attorney General.

Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, we bring to you a conference report which is a very important one, because it deals with all the operations of the Department of State, the Department of Justice, the Department of Commerce, and the Federal judiciary. The total amount of this bill is $677,972,102. As was explained by the chairman, the budget estimate was $740,362,956. The bill as it passed the House carried $684,616,102; and as passed by the Senate the total was $671,782,281.

The contractual authority, however, is increased $5,600,000 in the bill over the House figure. When all items and contract authorizations are taken into consideration, there is not much difference between the House bill and the Senate bill. However, when the decrease in the foreign building item made by the Senate is considered it should be considered only as a bookkeeping item, a bookkeeping transaction and not a savings at all.

Also, the Senate increased an item in the CAA budget $8,500,000 over the House figure. This matter is an actual dollar figure over the figure of the House.

The House increased the Senate figures for the Antitrust Division in the Department of Justice. All of you are interested in effective antitrust operations. The budget cut the antitrust item $100,000; the committee and the House increased that to the figures requested by the Department.

The budget decreased the request of the Federal Bureau of Investigation by over $1,598,141. Your committee was unanimous in giving the FBI what they felt they needed to conduct the effective operations against crimes and conduct the many investigations they are called upon to make. The Senate cut the request of the FBI. Your conferees were successful in restoring the total amount requested by the Federal Bureau of Investigation. I shall explain this in more detail later.

This committee has been in deadlock many days, we have been at an impasse for over 2 weeks over many of the items. You who are familiar with appropriation bills and conferences know of the many compromises that have to be made in order to get a bill out and keep the departments going. I will also detail later the matter of foreign buildings and the American schools in Latin America. In reply to the gentleman from Nebraska [Mr. MILLER], the item for Scottsbluff weather station is in the bill. Mr. MILLER has worked strenuously for this station which is in his district and his arguments for it have been very convincing and effective.

FBI APPROPRIATION ESTIMATE, FISCAL YEAR 1950

The estimate for the Federal Bureau of Investigation for the fiscal year 1950 in the amount of $52,585,141 was approved by the Bureau of the Budget for an amount of $50,987,000, there being a cut made by the Bureau of the Budget in the amount of $1,598,141.

The House Appropriations Committee restored the cut of $1,598,141, recommending an appropriation for the Federal Bureau of Investigation for the fiscal year 1950 in the amount of $52,585,141. The Senate approved an appropriation the same as was approved by the Bureau of the Budget in the amount of $50,987,000, reducing the House approved estimate by the amount of $1,598,141. The final compromise with the Senate restored the House figure and the amount requested by the FBI.

In addition, the Senate Appropriations Committee approved phraseology in the FBI's 1950 appropriation to the effect that $750,000 of the 1950 appropriation be available immediately. This phraseology is approved and will permit the utilization of $750,000 of the 1950 appropriation to cover expenditures for the present fiscal year.

It should be pointed out that making available the $750,000 of the 1950 appropriation for the fiscal year 1949, will correspondingly reduce the 1950 appropriation.

It is essential that the $750,000 be made available for the remainder of the present fiscal year. It will be recalled that the President in his budget message to Congress stated that the FBI would undoubtedly need a supplemental appropriation in the amount of $2,630,000 for the remainder of the present fiscal year due to its greatly increased activities not only in the form of new legislation such as the Selective Service Act of 1948, for which no funds were appropriated, but likewise for its increased activities in the internal security field, all of which have increased considerably necessary FBI expenditures during the present fiscal year over and above the amount appropriated.

Mr. Hoover, the Director of the FBI, reduced the operating expenditures of the FBI in every way possible during the present fiscal year in the hope that additional funds would not be necessary. He was successful in reducing the budget estimate for supplemental funds which was in the amount of $2,630,000, to $750,000, a reduction of approximately $2,000,000. The approval of the phraseology to permit the use of $750,000 of the 1950 appropriation in 1949 enables the FBI to continue for the remainder of the fiscal year absolutely essential activities which must be performed.

For the fiscal year 1950, I feel that the FBI estimate of $52,585,141 was fully justified. During the testimony before the Appropriations Committee, Mr. Hoover pointed out the various responsibilities of his Bureau at the present time. There is no reason to believe that there is going to be any decrease in the work referred to the FBI during the next fiscal year. Internal security matters being handled by the FBI are demanding increased investigative attention. At the present time thousands of such investigative assignments are pending, necessitating investigative attention 24 hours a day, every day in the year. It will be recalled that it was testified to that the investigative matters being referred to the Federal Bureau of Investigation are increasing tremendously over original estimates. It is estimated that approximately 474,000 investigative matters will be received by the FBI during the present fiscal year and it is forecast that there will be no reduction in such investigative matters during the next fiscal year. We know espionage and related subversive activities are not decreasing. We know in the light of recent developments that the investigative work of the FBI is going to become more and more difficult and complex if they are to continue to remain on top of the activities of a subversive nature. It is essential to the welfare of the country that this agency be not handicapped in any way in continuing its coverage of such activities. Therefore, sufficient personnel must be made available.

In addition to the internal security work of the Federal Bureau of Investigation that agency has investigative jurisdiction over more than 100 Federal statutes. The over-all crime situation in the country today, with the unrest presently being experienced, will undoubtedly continue at its present pace during the next fiscal year. It would be foolhardy to permit the criminal element of the country today to feel that sufficient funds would not be available for the investigation into their lawbreaking proclivities. Those of us present today remember the tragic conditions in the thirties when crime was rampant throughout the country: Kidnapers, extortionists, bank robbers, white-slavers, automobile thieves, and others endeavored to break the law with impunity. The Federal Bureau of Investigation, having responsibilities for investigating these crimes, many of which were made Federal offenses at that time, succeeded in reducing such crimes to a minimum. It is necessary that this check on such criminal activities be continued.

Your committee was unanimous in reaching the conclusion that all of the funds requested by the FBI be provided. This conference report brings you this assurance.

FOREIGN BUILDING PROGRAM

I feel it is important because of much misunderstanding to discuss at this time the appropriation for the Foreign Buildings Office in the Department of State. The budget estimate totaled $25,000,000 for foreign building acquisitions. Your House committee cut this amount to $20,000,000 and the Senate reduced it further to $9,520,000. We now bring you the conference report which indicates that your conferees have come to an agreement in the amount of $13,000,000 for foreign buildings. The Senate objected to acquiring buildings in China, Finland, and Hungary and also objected as do members of the House committee, to the acquisition in some instances of too elaborate buildings and also expressed the fear which is shared by some members of your committee that the future maintenance and operation costs may exceed any savings which the Department might claim as a result of having its own quarters. However, some members of your House committee do not share the feeling of the Senate that this item is an actual appropriation because the Department informs us that no dollars are actually expended in the purchasing of buildings and properties in foreign countries. The United States has about 300 foreign missions scattered over the world. The employees must be housed. The Department feels that the Senate subcommittee in reducing its authorization has been under the misapprehension that the Foreign Building Office program is based on dollar expenditures whereas practically all of its acquisitions are secured on accounts of debts, owed to the United States for surplus property disposals, loans in default, lend-lease settlements, or similar transactions.

The Department feels that reducing the Foreign Buildings Office's authorization is equivalent to reducing payments by the debtor countries to an amount corresponding to the sum approved by the committee. This program for 1950 was in the amount of $20,000,000, and desirable and useful properties to this value are obtainable. As stressed before the House committee, the Department pays for these valuable assets only by reduction in the amount of the enormous debts owed by the foreign countries to our Government. It is the opinion of many people thoroughly qualified to judge that the properties secured under the Foreign Buildings Office program will probably represent the only payments on many of these obligations that this Government will ever receive. Foreign Buildings Office's total program amounts to about $200,000,000 out of a total owed this Government of billions. The abilities of most governments, even in the distant future, to repay their obligations to the United States, other than in such local currency transactions as are exemplified by the Foreign Buildings Office program, are extremely hypothetical. This is particularly true in the curtain countries where it is almost certain that items secured under the Foreign Buildings Office program will constitute probably the only payment ever received on the debts; nevertheless the Senate committee wishes the recoveries specifically restricted in a number of the curtain countries.

As explained during the House hearings the question of expense in connection with the operation of these properties, under ownership as compared with lease rentals, is easily answered. Suppose for instance this Government, needing additional office space, could secure on some similar basis say the Washington Building, would it be advisable to acquire it or not? Obviously it would be, inasmuch as the rental charge for such a building would probably exceed a quarter million dollars a year, whereas the operation of it would come to less than 40 percent of this or less, not including taxes. Real estate owned by our Government in nearly all countries is tax exempt under reciprocal treaty arrangements.

It has been suggested, and FBO is perfectly willing to concur in the suggestion, that these transactions be not expressed through appropriation channels at all, inasmuch as new dollars are not involved—in the countries where credit agreements exist—but that this amount be handled simply through congressional authority to utilize the credits

up to stipulated amounts similar to procedure followed in the case of Public Law 584—Fulbright Act.

The Department wishes to assure the committees at this time that undue extravagance has no place in the selection of acquisitions by FBO. In all but a very few, the two or three hundred items already secured have been predicated on a strictly commercial basis even without reference to the benefit of the capital values involved. It should, in relation to this, also be kept in mind that properties not proving satisfactory or expedient can always be sold and the proceeds turned into the Treasury. We do not have to keep them.

I include in my statement a memorandum from the Department of State:

JUNE 7, 1949.

Through: Mr. Peurifoy, Mr. Larkin.

CUT IN BUILDINGS FUND APPROPRIATION

In connection with the cut by the Senate in the buildings fund appropriation, we are preparing a résumé of the underlying principles behind FBO's present operations and the effect of the proposed cut; this was requested by Mr. STEFAN for the House committee in accordance with our discussions with you yesterday. Copy of this will be sent over to you later today and, supplementing this memorandum, we would submit the following:

Recent analyses of the buildings program for the next 2 years show a potential need of up to about $90,000,000 in foreign currency, of which $40,000,000 is required to meet the more urgent requirements of the next 2 years.

Our original budget for 1950 was $25,000,000, plus the anticipated carry-over from fiscal year 1949. Reduction of the 1950 appropriation to $9,520,000 would require a complete recasting of the whole buildings program and serious retrenchment in critical areas, and perhaps the abandonment of certain projects for which sites have already been secured and preparatory work under way. Among the principal items of concern at the moment, exclusive of the regular items comprising our long-range program, are the following:

Initial acquisitions and work in Japan preparatory to a take-over by the Department. The amount of $1,500,000 has already been earmarked for this program in fiscal 1950 in conjunction with the Department of the Army, FLC, and the Japanese Government, and specific properties have already been selected. Two million dollars per annum was set up for subsequent annual budgets.

In connection with the immediate requirement of housing some 2,000 civilian employees under the United States High Commissioner for Germany, we anticipate considerable expenditures will be required in addition to those which may be met through occupation funds. In addition, this is the critical time for planning and moving ahead on property acquisitions in connection with the long range diplomatic and consular post requirements. At least $2,000,000 for fiscal 1950 alone should be earmarked for this purpose.

Utilization of reparations assets in Spain and Portugal during fiscal 1950 would equal at least $3,000,000.

The acquisition of a site for a permanent United States Government combined offices building in London, prior to expiration of the surplus property agreement with the UK at the end of 1950, plus the completion items in London and continuing expenditures to relieve the serious conditions in various consular posts throughout the British Isles and colonies, is estimated at $5,000,000.

New office buildings for Rio and Reyjavik, for which plans are already completed and bids solicited, coordinated with deadlines for drawing down local currency, will total up to $3,600,000.

To meet the critical condition in Palestine, an expenditure of at least $1,500,000 will be necessary, of which less than $500,000 is actually available in existing credits.

Current activities utilizing foreign credits cover 49 specific countries, exclusive of possessions and colonies. The above six items alone total $16,000,000, to which could be added at least $15,000,000 to meet the regular program requirements for 1950. From this it will be seen that even the reduction in our original budget, from $25,000,000 to $20,000,000, will mean a definite curtailment of the program.

We especially wish to draw your attention to the probability that foreign credits for the Department's buildings program may be seriously curtailed, if not eliminated altogether through write-offs or defaults within the next 2 or 3 years. The fiscal years 1950–51 will probably afford the most important period remaining to the Department to capitalize on this unique opportunity to meet its long-range buildings requirements, while at the same time effecting important recoveries of American assets held abroad and corresponding reductions in recurring new dollar appropriations for rents, leaseholds, and quarters' allowances.

AMERICAN-SPONSORED SCHOOLS IN LATIN AMERICA

Mr. Speaker, after the First World War, Germans residing in most of the larger cities of the Latin-American Republics organized grade and high schools. These schools were open not only to German children but also to the children of Latin Americans who are influential in political, educational, and economic activities of their respective countries. With the advent of the Second World War a survey showed that these schools had been most effective in promoting the cultural, political, and commercial interests of Germany in the other Americas.

When the Second World War was imminent the governments and citizens of many Latin-American countries cooperated in a movement to close the German schools. At the same time they expressed an interest in establishing American-type schools. Following a careful study of the situation, the American-school program in Latin America was established as one of the features of the State Department's cooperation with the American Republics.

Evidence that the project has been a success is indicated by the fact that there are now 270 American-type schools in Latin America participating in this program. There are now approximately 60,000 Latin-American children enrolled in these schools, in addition to the children of American citizens. The schools are sponsored by Americans and nationals of the communities in which they are located and are accredited by the governments of those countries. Approximately $6,000,000 is obtained annually from local sources for their operating costs, and the contribution of the United States through appropriations made to the State Department for this program was only $171,000 during the last fiscal year. In addition, more than $1,000,000 was contributed locally in Latin America within recent months for buildings and equipment. These contributions were made in most cases in the belief that the United States Government would continue to provide funds to the schools for the purpose of employing United States citizens to direct and administer them.

The funds made available to the Department of State by Congress for the American-school program have been used largely for the purpose of providing administrators and teachers from the United States who are carefully screened as to their training, experience, character, and belief in our ideals of democracy.

(Mr. STEFAN asked and was given permission to revise and extend his remarks and include an item from the Department of State.)

Mr. ROONEY. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Speaker, as a member of the Subcommittee on Appropriations for the State Department, Justice, Commerce, and the Judiciary, I, of course, participated in this conference, and I think I should take this time to tell the House that the distinguished gentleman from the other body who presided as chairman of that subcommittee, a renowned Member of that other body, well safeguards their interests. But, as you know, the chairman of the House subcommittee was the distinguished gentleman from New York, and his name is ROONEY. The distinguished chairman of the other body has a name of the same Gallic ancestry. But, let me assure you that the best interests of the House were well-preserved, and when it was a case where Greek met Greek, we held our own, and came back to the House with the biggest number of SR's—Senate recessions—that this or any other subcommittee will bring back here. I am very happy to report that under the leadership of the gentleman from New York [Mr. ROONEY] we were successful, and I may say to my distinguished colleagues on the Republican side of the aisle that while the distinguished gentleman from Nebraska [Mr. STEFAN] does not have in his veins the noble blood of Irish ancestry, yet that Slovak stubbornness and righteousness did him in good stead. Time and again he smote them hip and thigh, and this committee, I believe, in the number of conferences in which I participated with the Committee on Appropriations, held fast to the belief for economy for the whole bill that this subcommittee handled. I think that the attention given to the Civil Aeronautics Authority was justified well by the importance to health and safety in this increased development of air transport, and since time and again there have been in recent days and weeks serious problems having to do with safety and air navigation it is fitting, in the belief of your committee and of the House, that this aeronautic group be given the proper attention to the end that their function be enlarged and expedited.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. ROONEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: On page 28, line 20, strike out "$5,640,400" and insert "$3,709,400."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. ROONEY moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur in the same with an amendment as follows: In lieu of the sum proposed by said amendment, insert "$5,680,400."

Mr. ROONEY. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Messrs. ABERNETHY, SMITH of Virginia, and MILLER of Nebraska.

There was no objection.

POLICE AND FIRE DEPARTMENTS, DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Messrs. DAVIS of Georgia, KLEIN, and BEALL.

There was no objection.

BANKS DOING BUSINESS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2104) relating to orders to banks doing business in the District of Columbia to stop payment on negotiable instruments payable from deposits in, or payable at, such banks, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 10, after "relates", insert "by stating the amount of the item upon which payment is to be stopped, the date thereof, and the name of the payee."

Page 2, line 2, after "payable", insert ": *Provided, however,* That any stop-payment order transmitted by telephone to an officer of the bank upon which the instrument has been drawn shall be accepted by the bank upon such identification that will insure the order has been transmitted by its depositor as an effective notice for a period of 24 hours, after which time it shall no longer be valid unless followed by a written order as otherwise provided herein."

Page 2, line 10, after "such", insert "written."

Page 3, strike out lines 10 to 17, inclusive, and insert:

"SEC. 5. Any bank or trust company that pays a check or other instrument drawn by or against the account of a depositor, the payment of which has been ordered stopped, and the order is still in effect, as herein provided, shall be responsible to the depositor for the amount thereof. When restored to such a depositor, the bank shall be subrogated to any benefits receivable, or amounts recoverable, by the depositor, but shall pursue its remedy at its own expense."

Mr. McMILLAN of South Carolina. Mr. Speaker, the House passed this bill on May 2, 1949, and the amendments which have been adopted by the Senate simply provide that a stop order given by telephone to an officer of a bank shall be effective for 24 hours after which it will no longer be valid unless followed by a written order, and, secondly, under section 5 of the House bill, it was felt that there was some ambiguity in this section by using the words "actual loss" in defining the liability of the bank. This section was changed so as to make the bank liable in the amount of the instrument but gives the bank the right of subrogation to any benefits inuring to the depositor but the bank must pursue such a remedy at its own expense.

The ranking minority member the gentleman from Massachusetts [Mr. BATES] has indicated that he has no objection to the Senate amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FUR LABELING

Mr. WADSWORTH. Mr. Speaker, under rather unusual circumstances and in violation of some of the traditions of the House, as a minority Member I venture to call up House Resolution 278, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5187) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. WADSWORTH. Mr. Speaker, in further explanation of this unusual performance, of a member of the minority of the Committee on Rules calling up a rule, may I say I can see no member of the majority party of the Committee on Rules here present to take charge of the rule. I have, however, consulted with the gentleman from Tennessee who, I am informed on infallible authority, is the Democratic whip, and I have his consent to behave in this atrocious manner.

I understand under the rules 1 hour of debate is in order. On this side of the aisle no requests for time have been made to speak on the rule. I now inquire if there are any requests for time on the majority side?

Mr. PRIEST. Mr. Speaker, if the gentleman will yield, the chairman of the Committee on Rules, who had this rule under consideration, I believe understood that perhaps the bill would be passed over today. So if there is no request for time on the rule, if the gentleman from New York [Mr. WADSWORTH] will move the previous question, since he has called the rule up, I believe that would be in order and we could proceed with the consideration of the bill.

Mr. WADSWORTH. Mr. Speaker, it is with great cheerfulness that I move the previous question on the rule.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. GORE asked and was given permission to revise and extend his remarks in the RECORD.

Mr. SIKES asked and was given permission to extend his remarks in the RECORD.

Mr. WELCH of California asked and was given permission to revise and extend his remarks and include a statement made by him before a subcommittee of the Committee on Armed Services of the Senate.

Mr. HINSHAW asked and was given permission to extend his remarks in the RECORD and include an address by Sean McBride.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in the RECORD and include an article by Hanson W. Baldwin, entitled "What Kind of War?"

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include a speech by Mr. Frank Aiken.

Mr. DOYLE asked and was given permission to extend his remarks in the

RECORD in two instances and include extraneous matter.

FUR LABELING

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the bill (H. R. 5187) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Fur Products Labeling Act."

SEC. 2. As used in this act—

(a) The term "person" means an individual, partnership, corporation, association, business trust, or any organized group of any of the foregoing.

(b) The term "fur" means any animal skin or part thereof with hair, fleece, or fur fibers attached thereto, either in its raw or processed state, but shall not include such skins as are to be converted into leather or which in processing shall have the hair, fleece, or fur fiber completely removed.

(c) The term "used fur" means fur in any form which has been worn or used by an ultimate consumer.

(d) The term "fur product" means any article of wearing apparel made in whole or in part of fur or used fur; except that such term shall not include such articles as the Commission shall exempt by reason of the relatively small quantity or value of the fur or used fur contained therein.

(e) The term "waste fur" means the ears, throats, or scrap pieces which have been severed from the animal pelt, and shall include mats or plates made therefrom.

(f) The term "invoice" means a written account, memorandum, list, or catalog, which is issued in connection with any commercial dealing in fur products or furs, and describes the particulars of any fur products or furs, transported or delivered to a purchaser, consignee, factor, bailee, correspondent, or agent, or any other person who is engaged in dealing commercially in fur products or furs.

(g) The term "Commission" means the Federal Trade Commission.

(h) The term "Federal Trade Commission Act" means the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, as amended.

(i) The term "Fur Products Name Guide" means the register issued by the Commission pursuant to section 7 of this act.

(j) The term "commerce" means commerce between any State, Territory, or possession of the United States, or the District of Columbia, and any place outside thereof; or between points within the same State, Territory, or possession, or the District of Columbia, but through any place outside thereof; or within any Territory or possession or the District of Columbia.

(k) The term "United States" means the several States, the District of Columbia, and the Territories and possessions of the United States.

MISBRANDING, FALSE ADVERTISING, AND INVOICING DECLARED UNLAWFUL

SEC. 3. (a) The introduction, or manufacture for introduction, into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product which is misbranded or falsely or deceptively advertised or invoiced, within the meaning of this act or the rules and regulations prescribed under section 8 (b), is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act.

(b) The manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, and which is misbranded or falsely or deceptively advertised or invoiced, within the meaning of this act or the rules and regulations prescribed under section 8 (b), is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act.

(c) The introduction into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of any fur which is falsely or deceptively advertised or falsely or deceptively invoiced, within the meaning of this act or the rules and regulations prescribed under section 8 (b), is unlawful and shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act.

(d) Except as provided in subsection (e) of this section, it shall be unlawful to remove or mutilate, or cause or participate in the removal or mutilation of, prior to the time any fur product is sold and delivered to the ultimate consumer, any label required by this act to be affixed to such fur product, and any person violating this subsection is guilty of an unfair method of competition, and an unfair or deceptive act or practice, in commerce under the Federal Trade Commission Act.

(e) Any person introducing, selling, advertising, or offering for sale, in commerce, or processing for commerce, a fur product, may substitute for the label affixed to such product pursuant to section 4 of this act, a label conforming to the requirements of such section, and such label may show in lieu of the name or other identification shown pursuant to section 4 (2) (E) on the label so removed, the name or other identification of the person making the substitution. Any person substituting a label shall keep such records as will show the information set forth on the label that he removed and the name or names of the person or persons from whom such fur product was received.

(f) Subsections (a), (b), and (c) of this section shall not apply to any common carrier or contract carrier in respect of a fur product or fur shipped, transported, or delivered for shipment in commerce in the ordinary course of business.

MISBRANDED FUR PRODUCTS

SEC. 4. For the purposes of this act, a fur product shall be considered to be misbranded—

(1) if it is falsely or deceptively labeled or otherwise falsely or deceptively identified, or if the label contains any form of misrepresentation or deception, directly or by implication, with respect to such fur product;

(2) if a label is not affixed to the fur product and does not show in words and figures plainly legible—

(A) the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur, and such qualifying statement as may be required pursuant to section 7 (c) of this act;

(B) that the fur product contains or is composed of used fur, when such is the fact;

(C) that the fur product contains or is composed of bleached, dyed, or otherwise artifically colored fur, when such is the fact;

(D) that the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(E) the name, or other identification issued and registered by the Commission, of one or more of the persons who manufacture such fur product for introduction into commerce, introduce it into commerce, sell it in commerce, advertise or offer it for sale in commerce, or transport or distribute it in commerce;

(3) if the label required by paragraph (2) (A) of this section sets forth the name or names of any animal or animals other than the name or names provided for in such paragraph, unless such name or names are preceded by the words "Processed to simulate" and the fur product has been so processed.

FALSE ADVERTISING AND INVOICING OF FUR PRODUCTS AND FURS

SEC. 5. (a) For the purposes of this act, a fur product or fur shall be considered to be falsely or deceptively advertised if any advertisement, representation, public announcement, or notice which is intended to aid, promote, or assist directly or indirectly in the sale or offering for sale of such fur product or fur—

(1) does not show the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur, and such qualifying statement as may be required pursuant to section 7 (c) of this act;

(2) does not show that the fur is used fur or that the fur product contains used fur, when such is the fact;

(3) does not show that the fur product or fur is bleached, dyed, or otherwise artificially colored fur when such is the fact;

(4) does not show that the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(5) contains the name or names of any animal or animals other than the name or names specified in paragraph (1) of this subsection, unless such name or names are preceded by the words "Processed to simulate" and the fur product has been so processed, or contains any form of misrepresentation or deception, directly or by implication, with respect to such fur product or fur.

(b) For the purposes of this act, a fur product or fur shall be considered to be falsely or deceptively invoiced—

(1) if such fur product or fur is not invoiced to show—

(A) the name or names (as set forth in the Fur Products Name Guide) of the animal or animals that produced the fur, and such qualifying statement as may be required pursuant to section 7 (c) of this act;

(B) that the fur product contains or is composed of used fur, when such is the fact;

(C) that the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(D) that the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(E) the name and address of the person issuing such invoice;

(2) if such invoice contains the name or names of any animal or animals other than the name or names specified in paragraph (1) (A) of this subsection, unless such name or names are preceded by the words "Processed to simulate" and the fur product has been so processed, or contains any form of misrepresentation or deception, directly or by implication, with respect to such fur product or fur.

EXCLUSION OF MISBRANDED OR FALSELY INVOICED FUR PRODUCTS OR FURS

SEC. 6. (a) Fur products imported into the United States shall be labeled so as not to be misbranded within the meaning of section 4 of this act; and all invoices of fur products and furs required under the act of June 17, 1930 (ch. 497, title IV, 46 Stat. 719), shall set forth, in addition to the matter therein specified, information conforming with the requirements of section 5 (b) of

this act, which information shall be included in the invoices prior to their certification under said act of June 17, 1930.

(b) The falsification of, or failure to set forth, said information in said invoices, or the falsification or perjury of the consignee's declaration provided for in said act of June 17, 1930, insofar as it relates to said information, shall be an unfair method of competition, and an unfair and deceptive act or practice, in commerce under the Federal Trade Commission Act; and any person who falsifies, or fails to set forth, said information in said invoices, or who falsifies or perjures said consignee's declaration insofar as it relates to said information, may thenceforth be prohibited by the Commission from importing, or participating in the importation of, any fur products or furs into the United States except upon filing bond with the Secretary of the Treasury in a sum double the value of said fur products and furs, and any duty thereon, conditioned upon compliance with the provisions of this section.

(c) A verified statement from the manufacturer, producer of, or dealer in, imported fur products and furs showing information required under the provisions of this act may be required under regulations prescribed by the Secretary of the Treasury.

NAME GUIDE FOR FUR PRODUCTS

SEC. 7. (a) The Commission shall, with the assistance and cooperation of the Department of Agriculture and the Department of the Interior, within 6 months after the date of the enactment of this act, issue, after holding public hearings, a register setting forth the names of hair, fleece, and fur-bearing animals, which shall be known as the Fur Products Name Guide. The names used shall be the true English names for the animals in question, or in the absence of a true English name for an animal, the name by which such animal can be properly identified in the United States.

(b) The Commission may, from time to time, with the assistance and cooperation of the Department of Agriculture and Department of the Interior, after holding public hearings, add to or delete from such register the name of any hair, fleece, or fur-bearing animal.

(c) If the name of an animal (as set forth in the Fur Products Name Guide) connotes a geographical origin or significance other than the true country or place of origin of such animal, the Commission may require whenever such name is used in setting forth the information required by this act, such qualifying statement as it may deem necessary to prevent confusion or deception.

ENFORCEMENT OF THE ACT

SEC. 8. (a) (1) Except as otherwise specifically provided in this act, sections 3, 6, and 10 (b) of this act shall be enforced by the Federal Trade Commission under rules, regulations, and procedure provided for in the Federal Trade Commission Act.

(2) The Commission is authorized and directed to prevent any person from violating the provisions of sections 3, 6, and 10 (b) of this act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this act; and any such person violating any provision of section 3, 6, or 10 (b) of this act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this act.

(b) The Commission is authorized and directed to prescribe rules and regulations governing the manner and form of disclosing information required by this act, and such further rules and regulations as may be necessary and proper for purposes of administration and enforcement of this act.

(c) The Commission is authorized (1) to cause inspections, analyses, tests, and examinations to be made of any fur product or fur subject to this act; and (2) to cooperate, on matters related to the purposes of this act, with any department or agency of the Government; with any State, Territory, or possession, or with the District of Columbia; or with any department, agency, or political subdivision thereof; or with any person.

(d) (1) Every manufacturer or dealer in fur products or furs shall maintain proper records showing the information required by this act with respect to all fur products or furs handled by him, and shall preserve such records for at least 3 years.

(2) The neglect or refusal to maintain and preserve such records is unlawful, and any such manufacturer or dealer who neglects or refuses to maintain and preserve such records shall forfeit to the United States the sum of $100 for each day of such failure which shall accrue to the United States and be recoverable by a civil action.

CONDEMNATION AND INJUNCTION PROCEEDINGS

SEC. 9. (a) (1) Any fur product or fur shall be liable to be proceeded against in the district court of the United States for the district in which found, and to be seized for confiscation by process of libel for condemnation, if the Commission has reasonable cause to believe such fur product or fur is being manufactured or held for shipment, or shipped, or held for sale or exchange after shipment, in commerce, in violation of the provisions of this act, and if after notice from the Commission the provisions of this act with respect to such fur product or fur are not shown to be complied with. Proceedings in such libel cases shall conform as nearly as may be to suits in rem in admiralty, and may be brought by the Commission.

(2) If such fur products or furs are condemned by the court, they shall be disposed of, in the discretion of the court, by destruction, by sale, by delivery to the owner or claimant thereof upon payment of legal costs and charges and upon execution of good and sufficient bond to the effect that such fur or fur products will not be disposed of until properly marked, advertised, and invoiced as required under the provisions of this act; or by such charitable disposition as the court may deem proper. If such fur or fur products are disposed of by sale, the proceeds, less legal costs and charges, shall be paid into the Treasury of the United States as miscellaneous receipts.

(b) Whenever the Commission has reason to believe that—

(1) any person is violating, or is about to violate, section 3, 6, or 10 (b) of this act; and

(2) it would be to the public interest to enjoin such violation until complaint is issued by the Commission under the Federal Trade Commission Act and such complaint dismissed by the Commission or set aside by the court on review, or until order to cease and desist made thereon by the Commission has become final within the meaning of the Federal Trade Commission Act,

the Commission may bring suit in the district court of the United States or in the United States court of any Territory, for the district or Territory in which such person resides or transacts business, to enjoin such violation, and upon proper showing a temporary injunction or restraining order shall be granted without bond.

GUARANTY

SEC. 10. (a) No person shall be guilty under section 3 if he establishes a guaranty received in good faith signed by and containing the name and address of the person residing in the United States by whom the fur product or fur guaranteed was manufactured or from whom it was received, that said fur product is not misbranded or that said fur product or fur is not falsely advertised or invoiced under the provisions of this act. Such guaranty shall be either (1) a separate guaranty specifically designating the fur product or fur guaranteed, in which case it may be on the invoice or other paper relating to such fur product or fur; or (2) a continuing guaranty filed with the Commission applicable to any fur product or fur handled by a guarantor, in such form as the Commission by rules and regulations may prescribe.

(b) It shall be unlawful for any person to furnish, with respect to any fur product or fur, a false guaranty (except a person relying upon a guaranty to the same effect received in good faith signed by and containing the name and address of the person residing in the United States by whom the fur product or fur guaranteed was manufactured or from whom it was received) with reason to believe the fur product or fur falsely guaranteed may be introduced, sold, transported, or distributed in commerce, and any person who violates the provisions of this subsection is guilty of an unfair method of competition, and an unfair or deceptive act or practice, in commerce within the meaning of the Federal Trade Commission Act.

CRIMINAL PENALTY

SEC. 11. (a) Any person who willfully violates section 3, 6, or 10 (b) of this act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000, or be imprisoned not more than 1 year, or both, in the discretion of the court.

(b) Whenever the Commission has reason to believe any person is guilty of a misdemeanor under this section, it shall certify all pertinent facts to the Attorney General, whose duty it shall be to cause appropriate proceedings to be brought for the enforcement of the provisions of this section against such person.

APPLICATION OF EXISTING LAWS

SEC. 12. The provisions of this act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other act of Congress.

SEPARABILITY OF PROVISIONS

SEC. 13. If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to any other person or circumstance shall not be affected thereby.

EFFECTIVE DATE

SEC. 14. This act shall take effect 1 year after the date of its enactment.

Mr. O'HARA of Minnesota. Mr. Speaker, I move to strike out the last word. In fairness to some of the gentlemen who are here, I had promised them I would discuss the bill so that they might ask questions.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. O'HARA of Minnesota. Mr. Speaker, this bill, H. R. 5187, is properly described as a bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

The bill was reported unanimously by the Committee on Interstate and Foreign Commerce. In that connection it was reported unanimously in the Eightieth Congress by that same committee, but was not passed upon in the closing days of that Congress because of the rush of the calendar. The bill had a unanimous report of the Committee on Rules.

The bill is designed to protect consumers primarily from the practice of

the fur trade engaged in frequently, at least by part of the fur trade, of using in advertisements, in a false or misleading manner, foreign animal names and glamorous, fictitious designations for furs and fur products.

Furs are particularly susceptible to dyeing and processing which tends to change their appearance. The manufacturing industry, and it is a compliment to them, are so successful that they can dye, color, and change a fur, such as rabbit fur, to resemble a far more expensive fur. This imitation, coupled with misleading and flamboyant statements in advertising, makes it easily possible for the purchasing public to be misled and deceived. The committee received a great deal of testimony on these abuses. I should like to give you a few examples, and I shall go into that a little further, of names under which rabbit coats have been sold to the public.

Beaverette: There is no such animal. But the name is very close to beaver, and the purchaser might well believe he was getting some kind of a beaver's relative, when it is actually rabbit.

Ermiline: There is no such animal in existence, but the name is suggestive of ermine, which is an expensive fur. An ignorant purchaser might think he is buying ermine when he is buying ermiline.

Lapin is the name of another fur coat. That is the French name for rabbit.

Other names are Hudseal, Mink Coney, and Sealine. All of them are rabbits.

Muskrat has been described as Hudson Seal, Diver Sable, and Water Mink. I could go on for a long time. Any of the Members who are interested in additional examples might have a look at the list of them set forth on page 70 of the hearings. This list gives the designations used, the correct name of the fur, and the name and date of the publications in which the advertiser used such designation.

Filed in the committee there are a number of photostatic copies of original advertisements taken from all over the country with these flamboyant, misleading, and deceptive terms in the advertising.

The Federal Trade Commission has endeavored to correct some of these practices. However, these practices are so widespread that enforcement by the Federal Trade Commission, through its normal processes, is exceedingly difficult. Furthermore, such practices are engaged in frequently by retailers, who are beyond the reach of the Commission because they are engaged in intrastate rather than interstate commerce. Therefore, specific legislation on this subject is considered necessary.

The remedy suggested in this bill is the mandatory invoicing of furs and the mandatory labeling of fur products moving in interstate or foreign commerce, under the usual name of the animal that produced the fur.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota may proceed for five additional minutes in order to explain the bill more fully.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. O'HARA of Minnesota. In addition, the label or advertisement is to set forth other information vital to the consumer, such as, first, whether the garment contains used fur; second, whether the fur is dyed or bleached; and third, whether the product is composed of waste fur or other inferior parts of the pelt.

There is an excellent precedent for the kind of informative labeling proposed in this bill. As some of the Members may well recall, in 1939 Congress passed the Wool Products Labeling Act. This act, which was reported by the Committee on Interstate and Foreign Commerce, requires disclosure of the wool contents of a fabric or article. The act is also known as the Truth in Fabric Act.

The Wool Products Labeling Act, while vigorously opposed at the time by many segments of the trade, is today recognized as an outstanding piece of consumers' protective legislation. The Interstate and Foreign Commerce Committee feels that similar protection is required for the purchasers of furs and fur products.

The fur products labeling bill, like the Wool Products Labeling Act, would be administered by the Federal Trade Commission. The enforcement provisions of the fur labeling bill closely follow those of the Wool Products Labeling Act.

The Commission may issue cease and desist orders, and wherever necessary, may resort to condemnation and injunction proceedings. A criminal penalty is also provided for willful violations of the provisions of the act.

The bill further directs the Federal Trade Commission to set up a register of names to be known as the Fur Products Name Guide. This guide would set forth the true English names of fur-bearing animals, or in the absence of such a name, the name by which such animal can be properly identified in the United States. In order to correctly describe on the label or in the advertisement the name of the animal that produced the fur the manufacturer would have to use the name set forth for such animal in the Fur Products Name Guide.

The use of the name of an animal, other than the animal that produced the fur, is allowed only if the name of such animal is preceded by the words "Processed to simulate." This may sound complicated. However, it is quite simple.

A bad practice has grown up in the fur industry of advertising muskrat, for example, as "Mink blended muskrat." What that conveys to the consumer I am not quite sure. I am reasonably sure, however, that it is, to say the least, confusing to the consumer.

If the bill is enacted, such muskrat coat would either have to be advertised and labeled, purely and simply, as a muskrat coat, or, if the manufacturer or retailer insists on using the word "mink" in connection with muskrat, he would have to advertise or label the coat as muskrat processed to simulate mink. In this way, the consumer will be absolutely certain as to what he is getting.

To summarize this all briefly:

The abuses which this bill aims to cure are very widespread. Attempts to eliminate these abuses under the Federal Trade Commission Act itself have failed. The Interstate and Foreign Commerce Committee is unanimous in the belief that legislation is required to protect consumers of furs and fur products, and that, in this case, the pattern set so successfully by the Wool Products Labeling Act should be followed. An amendment will be offered, which is necessary. In the rewriting of this bill there was an oversight and my colleague from Oklahoma will provide that the fur products name guide be set up within 6 months after it goes into effect.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I am very much interested in the gentleman's explanation of the bill. He gave a very fine explanation of it. However, I have telegrams from several dealers of fur garments in the Midwest in opposition to this bill. These firms have high-class, high-caliber establishments, they have a wonderful reputation for business ethics. I refer particularly to one, I am sure the gentleman knows about this one, too, the Cowne Fur Co., of Des Moines, that has been in existence more than 50 years, with no criticism at all as to its method of conducting business. Yet, they are opposed to this bill on the theory it would cause their business serious damage.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CUNNINGHAM. Can the gentleman give me any explanation as to why such a high-class institution as the Cowne Fur Co. should oppose this bill?

Mr. O'HARA of Minnesota. I can explain that to the gentleman because I have received some of those same letters from equally high-class people. First, let me say there is no reflection upon the fur industry generally. Some of them are extremely high-class people who sell the product, who tell you what you are getting, how long it will wear and charge you a reasonable price. Then there is the other type who are out to deceive the public and to mislead them. They use these highly advertised trick words wherein they mix up all of these names. Let me say that this bill will hit the ones who are deceiving the public, who are making a racket out of a perfectly honorable business. They have stirred up these decent fur people into thinking that this is a terrible bill.

Mr. CUNNINGHAM. Why would not this bill do the legitimate dealer, such as the Cowne Fur Co., any good?

Mr. O'HARA of Minnesota. May I say to the gentleman that there is no question but what this bill will aid decent, honorable fur people, and I hope they will find that out if this bill is passed.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Georgia.

Mr. COX. While the effect of this bill will be to protect the legitimate furrier, still its primary purpose is to protect the uneducated public?

Mr. O'HARA of Minnesota. That is correct; yes.

Mr. COX. Let me say to the gentleman that at one time I bought a rabbit coat when I thought I was buying, and the dealer thought he was selling me, ermine.

Mr. O'HARA of Minnesota. May I say to the gentleman that illustrates exactly what is going on. I have talked to some of these men who are skilled in the processing business and they tell me that even the buyers of some of these establishments which operate fine stores are misled themselves in the product which they sell.

Mr. BOGGS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. I received a number of communications from the muskrat fur people in Louisiana. As the gentleman knows, the vast majority of muskrat furs are grown in the State of Louisiana.

Mr. O'HARA of Minnesota. It is probably the greatest single fur-producing State in the United States, may I say to the gentleman, and it is a very fine fur.

Mr. BOGGS of Louisiana. I have read the gentleman's bill very carefully. I am inclined to believe they are unduly alarmed; nevertheless, I should like to have an expression from the gentleman as to whether or not, in his opinion as the author of this legislation, it would have an adverse effect on the muskrat fur of Louisiana.

Mr. O'HARA of Minnesota. May I say to the gentleman in all honesty and sincerity I think it would be of great benefit to that trade because the muskrat is a reasonably priced fur and it is a long-wearing fur. The trouble is that some of your muskrat people down in Louisiana are being cheated through the importation of a bunch of cheap foreign furs that are sold under highly advertised terms, which will not wear as long as the type of coat that the gentleman's muskrats would produce down in Louisiana.

Mr. BOGGS of Louisiana. Would the gentleman's bill require also the labeling of these imported furs?

Mr. O'HARA of Minnesota. That is correct. But, not that they were a foreign fur, no.

Mr. BOGGS of Louisiana. Take the imported furs from Siberia, for instance.

Mr. O'HARA of Minnesota. If I could have a minute later on I would like to call the gentleman's attention to the highly advertised terms that they sell some of these imported stoles, that are nothing but dog hides, that are sent over here from China and, I believe, some from Siberia, that are sold on the basis that they are a very fine fur. They are advertised as expensive furs, but probably not near as long wearing as some of the local furs produced in this country.

Mr. BOGGS of Louisiana. Objection has also been made that this labeling imposes undue restrictions and hardships upon retailers. Is there any validity in that objection?

Mr. O'HARA of Minnesota. I do not feel that that is really a legitimate objection. The manufacturer is compelled to label the product when it is issued and he is compelled to invoice it. Let me illustrate on that very danger.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has again expired.

Mr. BOGGS of Louisiana. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. O'HARA of Minnesota. Let me illustrate. Recently I was talking to one of the members of the Federal Trade Commission who has the responsibility of enforcing that act in connection with the fur industry as it exists today. He advised me of this fact. He said that recently—and I made a note of it so that I could transmit it—that one of the representatives of a large manufacturing group in the city of New York had appealed for advice to the Federal Trade Commission, dealing with the action of certain buyers, who after negotiating for the purchase of a number of fur coats made of wombat, which is sort of a ground squirrel, insisted that the coats be invoiced to them as Russian weasel instead of wombat, and would not take the coats unless they were so invoiced by these dealers. Now Russian weasel would be a false name, as these other animals are a type of ground squirrel and are not of the weasel family and, further, are not as valuable or as long-wearing fur. That illustrates what the decent industry is up against in these negotiations in the give-and-take of the fur trade. I might tell you frankly that this representative represented a large, very fine group of fur manufacturers in the city of New York.

Mr. BOGGS of Louisiana. One other question and I will not impose upon the gentleman any further. The fur dealers and the fur people generally inform me that the industry is in a very depressed state at the present time.

Mr. O'HARA of Minnesota. Very much so.

Mr. BOGGS of Louisiana. As a matter of fact, I have been reliably informed that in the muskrat-producing area of Louisiana that we will be very fortunate if the muskrat trappers receive as much as one-half for this year's crop as they received for last year's crop, and last year's crop was a great deal less than the take had been for the previous year.

Mr. O'HARA of Minnesota. That is right.

Mr. BOGGS of Louisiana. Now, the allegation is made that one of the principal causes of the difficulty at this time is the high wartime excise taxes that are still collected on furs. In the opinion of the gentleman, will this bill impose restrictions which may have a bad competitive effect on furs as compared to other types of wearing apparel?

Mr. O'HARA of Minnesota. Let me say to the gentleman I will say absolutely no. For example, did the wool people go out of business when we passed the Wool Labeling Act? No. It improved that business. The manufacturers were helped. The cheaters were put under the responsibility of labeling whether it was pure wool or shoddy wool, or whether it was wool, or whatever it was, and what was the percentage of wool and what was the percentage of cotton and rayon, and so forth. It helped the wool industry.

As the gentleman knows, excise taxes are one of the things that must be taken into consideration in that respect.

The gentleman speaks of muskrats, which is the largest single fur industry in this country, I believe. Naturally I am concerned about those people, and the mink people, and the fur farmers all over the country. Fur farmers exist in the South as well as in the North. There are some very large fur farms in Virginia. It does not take a cold climate to raise fur, although that is what people think. One of the things that has been hurting our local fur farmers most seriously is the terrific imports of foreign furs, which have just raised Cain with our own people. Something has to be done about that soon or all of our industry is going out of business.

Mr. BOGGS of Louisiana. I thank the gentleman.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Ohio.

Mr. JENKINS. I should like to ask the gentleman two or three short questions. I have had some correspondence that would indicate that this bill is not altogether for the benefit of the consumer. These suggestions very slyly imply that it might be for some ulterior purposes, or for the benefit of certain individuals. Let me ask the gentleman about the statement in the title of the bill, "to protect consumers and others." That term "others" does not mean anybody in particular, does it?

Mr. O'HARA of Minnesota. There is nothing sinister about that. As a matter of fact, one of the hopes of this bill, as I expressed it to the gentleman from Iowa, is that it will provide protection and additional aid to the decent, honorable people in the fur trade. It is just as much help to them in many ways as it is to the public.

Mr. JENKINS. I think so.

Further, I notice that on the last page you have a time limit, that the bill will not go into effect until a year after it is passed.

Mr. O'HARA of Minnesota. That is correct.

Mr. JENKINS. I have had some complaints from people who already have a stock of fur on hand.

Mr. O'HARA of Minnesota. They were apparently given the information as a part of the propaganda that this bill

would go into effect immediately, and they would have to go to the expense and trouble of labeling their coats. The bill will not go into effect for a year after it is passed, and those coats will certainly be sold and disposed of within that time.

Mr. JENKINS. I thought that was the reason for allowing this extended time, to give the dealers who already have furs on hand time to dispose of them and move them in interstate commerce.

Mr. O'HARA of Minnesota. The gentleman is correct.

Mr. JENKINS. Another complaint has come to me from a very distinguished man in my State. This is his complaint, and I am going to read it: "We find that the labeling provisions are completely unsatisfactory and would be misleading to the consuming public if the bill would become a law. It prohibits the use of standard trade terms and would cause endless confusion among retailers and the consuming public." That is a very sweeping condemnation.

Mr. O'HARA of Minnesota. Of course, it is a very general statement, and most of it, I would say, is not accurate. They would have to label the fur. I am sure the gentleman himself would be in favor of protecting the public from fraud, and protecting the decent industry from the fraudulent industry.

Mr. JENKINS. The gentleman stated that the great committee of which he is a member, the Committee on Interstate and Foreign Commerce, reported this bill out unanimously.

Mr. O'HARA of Minnesota. On two occasions, in the Eightieth and Eighty-first Congress.

Mr. JENKINS. I should think naturally, that that great committee would not report any bill out unless you had given it thorough and complete study.

Mr. O'HARA of Minnesota. We have repeatedly gone over this bill. It has been refined. In the original bill there were provisions that were unfair to the industry. Those have been taken out. We have refined the bill and tried to make it meet the objective and yet meet any complaints of unfairness. But you just cannot please these people who do not want anything done.

Mr. JENKINS. Did the gentleman have before the committee—I have no doubt he did—every group that might be interested in this whole program?

Mr. O'HARA of Minnesota. I would say in a general way, yes. They certainly had every opportunity, and there were a number of witnesses who appeared and testified.

Mr. JENKINS. About how long has this bill been before the committee?

Mr. O'HARA of Minnesota. We had about 2 days of hearings in the Eightieth Congress, and I think in the Eighty-first Congress about the same length of time; 3 days of hearings, rather.

Mr. SCUDDER. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. SCUDDER. I note that this bill was introduced on June 15. I have a telegram from the head of the California Merchants Association in California, who was formerly president, I believe, of the national organization. They are opposed to the bill. Have they had a chance to be heard before the committee on this bill to express themselves?

Mr. WILSON of Oklahoma. Mr. Chairman, will the gentleman yield so that I may answer that question?

Mr. O'HARA of Minnesota. I yield.

Mr. WILSON of Oklahoma. The original bill in this session of the Eighty-first Congress was introduced by the gentleman from Minnesota [Mr. O'HARA]. That bill is H. R. 97. The gentleman from Michigan [Mr. SADOWSKI] introduced a bill, H. R. 3755, one month later. The bill now before the House is a clean bill which was reported out after extended hearings. A copy of the hearings is available in the Chamber. In the previous Congress as the gentleman from Minnesota [Mr. O'HARA] has told you, there were some hearings held, or so I am informed. There were ample opportunities given to all the associations representing the fur industries to be heard. Those hearings extended over a period of more than 3 days.

Mr. SCUDDER. The gentleman says the fur industry was heard. How about the department stores throughout the country who, I know, are represented by the people who sent me telegrams? They are against the bill.

Mr. WILSON of Oklahoma. May I answer that question, too? The National Retail Dry Goods Association was represented. The National Board of Fur and Farm Organizations was represented as well. There appear in the record some 25 communications by Better Business Bureaus and the American Retail Federation had a representative there.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. WILLIS. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. WILLIS. The gentleman said that Louisiana produces more muskrats than any comparable area in the world. We produce in addition mink, otter, coons and many other fur-bearing animals in handsome quantities.

Mr. O'HARA of Minnesota. Louisiana is probably the greatest fur-producing State in the Union.

Mr. LARCADE. It is the greatest State.

Mr. WILLIS. It so happens that the greater part of that fur-producing area lies in my own district. I am not interested particularly in the alleged unfair practices of the middleman, but I am deeply interested in the trapper and the man who cultivates, farms and traps these fur-bearing animals. I understand that the gentleman probably has the same interest at heart.

Mr. O'HARA of Minnesota. I have.

Mr. WILLIS. But I would want to ask the gentleman in all fairness, is it his opinion this bill would be beneficial or harmful to the trapper?

Mr. O'HARA of Minnesota. It is my honest opinion that it would be helpful because it would eliminate this flam-buoyant advertising and the selling of cheaper furs which are nowhere near as good in quality as the furs that you produce in the State of Louisiana. They do not wear as well and do not make as good a garment as the muskrat furs produced in the gentleman's State of Louisiana. I think definitely it would be most helpful.

Mr. WILLIS. Our colleague the gentleman from Louisiana [Mr. BOGGS] mentioned the adverse effect upon this industry of the wartime excise taxes. I have introduced a bill to treat with that question. Since our interests appear to be mutual, I hope the gentleman will go along with us.

Mr. O'HARA of Minnesota. May I say to my friend I certainly shall.

Mr. LARCADE. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to my friend, the gentleman from Louisiana.

Mr. LARCADE. I know that my friend and colleague is aware of the fact, but it is not generally known, as my other colleagues have just stated, that Louisiana is the largest fur-producing State in the Union.

Mr. O'HARA of Minnesota. That is true.

Mr. LARCADE. I happen to have the honor to represent that portion of the State of Louisiana which is the largest fur-producing district. As a result of that, I am naturally interested in this bill. I have a number of telegrams from some of my constituents. I am surprised to find that they are in opposition to the bill. I have studied the bill very carefully and after doing so, have come to the conclusion that there is nothing which will be detrimental to the fur industry in my State or in any other portion of the United States, but on the contrary it should be helpful.

I would like to ask the gentleman two questions, as put to me in two telegrams. One of them is: How can this bill penalize the muskrat industry?

Mr. O'HARA of Minnesota. I do not see how it can.

Mr. LARCADE. Next, one of my constituents says the business interests of this area convince us that passage of this bill will be very detrimental to the fur industry in Louisiana.

Could you tell me in what way this bill could adversely affect the fur industry in Louisiana?

Mr. O'HARA of Minnesota. I do not see how it could do anything but help them. I am sorry some of these good people have been propagandized unduly and unfairly.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. JAVITS. I am troubled by the fact that the gentleman does not make any provision for fur-trimmed coats, except to include them. That is going to be quite tricky. I understand they are labeling now for wool. Do I understand the gentleman understands they are labeled also for fur? That is contained on page 2, line 6. If the gentleman did not

intend to include all fur-trimmed garments, he would have to make some amendment to that definition. "Any apparel made in whole or in part of fur or used fur." Then it confers authority on the Commission to exempt articles which have a relatively small quantity of value of fur or used fur in them.

Mr. O'HARA of Minnesota. As I recall, on the original bill there was some rather restrictive and I think harassing language in the bill. That has been stricken out and this language inserted so as to give some modicum of regulation on the part of the Federal Trade Commission.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has again expired.

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. O'HARA of Minnesota. Some of it could be very valuable fur and some of it could be of no particular value. Obviously, the Federal Trade Commission does not want to harass the industry on making a lot of articles of cheap furs, but there might be some necessity on expensively fur-trimmed coats, for instance, that might be subject to regulation.

Mr. JAVITS. Would not the gentleman consent to an amendment striking out the words "relatively small" in line 8, making it read, "the Commission shall exempt by reason of the quantity or value of the fur or used fur contained therein", giving the Commission complete discretion?

Mr. O'HARA of Minnesota. Will the gentleman let me discuss that question with him a little later.

Mr. JAVITS. It is claimed that this bill is discriminatory against fur dyers and dressers and in favor of people who raise mink and silver fox, because their stuff will probably be labeled 100 percent genuine, while the other, just as good, will not be saleable.

What does the gentleman say about that?

Mr. O'HARA of Minnesota. I do not think it will be discriminatory.

Mr. JAVITS. You do not consider that is a valid objection?

Mr. O'HARA of Minnesota. No, sir.

Mr. DOYLE. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. DOYLE. The gentleman will remember I spoke to him yesterday about this bill.

Mr. O'HARA of Minnesota. That is correct.

Mr. DOYLE. I advised the gentleman that I had a telegram from retailers in my home city, with which this gentleman is well familiar, in Los Angeles County, Calif. Does the gentleman have any idea why ethical, high-class retailers should object to this bill? I have wires to that effect.

Mr. O'HARA of Minnesota. I know of no reason why they should object to the bill, except one, that is that they probably have been misinformed as to what this bill means. In their trade organizations the group which unfortunately they should be careful of, is influencing them to send some telegrams.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. CASE of South Dakota. These fears that are expressed today are exactly the same fears that were expressed when the Wool Products Labeling Act came up. I do not believe there is a Member of the House today who would have the nerve to advocate repeal of that act.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. JUDD. The gentleman has assured us this will not hurt the fur-growing areas or the fur-manufacturing areas. The gentleman and I come from a State where in addition to growing and manufacturing furs, it gets really cold and the people wear furs.

Mr. O'HARA of Minnesota. That is right.

Mr. JUDD. The gentleman can assure us that the bill will not hurt those who wear the furs?

Mr. O'HARA of Minnesota. It will protect them.

Mr. JUDD. It will protect them against imitation and inferior products?

Mr. O'HARA of Minnesota. That is right.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. KEEFE. The gentleman is familiar with the fact that it is claimed by retail fur dealers that their business has suffered because of the competition of the cloth, fur-trimmed garments, which manufacturers have been able to make by using an inconsequential amount of fur, and thus escape the 20-percent tax.

I am now advised that they are in process of making a cloth garment that uses a large amount of fur, but that they have priced the lining of this new garment under some arrangement with the Bureau of Internal Revenue by which they are able to produce what appears to be a convertible garment, fur on the outside, that can be turned so that you have cloth on the outside, but by putting an extraordinary price upon the lining they are able to get rid of the payment of the 20-percent tax.

My fur people are exceedingly interested to see to it that if labeling is to be employed on fur garments that it likewise shall apply to the fur on cloth garments which are in competition with them; and I would not want any amendment offered to subsection (d) that would open the door to further intensify the competition that is hurting the people who are legitimately dealing in the fur-garment business.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. WILSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILSON of Oklahoma: On page 17, line 12, after the word "Act", insert a comma and the following: "except section 7."

Mr. WILSON of Oklahoma. Mr. Speaker, a brief explanation is that section 7 provides that within 6 months after the effective date of this legislation that there shall be prepared by the Federal Trade Commission, in cooperation with the other related departments, a guide. The last section of the act, section 14, to which this amendment applies, states that the effective date of the act shall be 1 year after enactment. There is no reason for the delay in the preparation of the guide so that within 1 year there will be a guide of which the industry will have cognizance and under which it can operate.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

Mr. O'HARA of Minnesota. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Minnesota: On page 6, lines 3 and 4, strike out "if a label is not affixed to the fur product and does not show" and insert "if there is not affixed to the fur product a label showing."

Mr. O'HARA of Minnesota. Mr. Speaker, I may say that this is merely a clarifying amendment suggested by the legislative counsel, Mr. Perley, and which is a very necessary amendment. I hope it will be accepted.

Mr. WILSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. WILSON of Oklahoma. Mr. Speaker, the committee will accept the amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECESS AUTHORITY TO CLERK TO RECEIVE MESSAGES AND TO THE SPEAKER TO SIGN ENROLLED BILLS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. REES asked and was given permission to extend his remarks in the RECORD and include an address.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Illinois [Mr. MASON] is entitled to recognition for 10 minutes.

TAX EQUALITY AND EXCISE TAX REPEAL IN ONE PACKAGE

Mr. MASON. Mr. Speaker, in a speech in the House on June 16, 1 month ago, I took as my theme, "Let's tax the untaxed to ease the tax load upon the overtaxed." In today's follow-up speech I am taking as my theme, "Let's kill two birds with one stone," or, if you prefer, "Let's wrap up tax equality and excise tax repeal in one package."

Mr. Speaker, in my mail and—from what I hear—in the mail of most Members of Congress the two greatest demands from taxpayers today are for immediate repeal of the wartime excise taxes and the plugging of loopholes in our tax laws through which certain tax-exempt organizations now escape payment of Federal income tax on billions of dollars' worth of competitive commercial business. These two demands dovetail perfectly. Put them together in one piece of legislation and we have a real solution of two perplexing problems. If we do so, taxpayers will be pleased; business will find new incentive to go forward; the Treasury will gain in revenue; and we will at the same time ease the tax load that now rests so heavily upon the overtaxed. In addition, no one will be hurt, because not a dime of additional tax will be imposed upon individuals and corporations now paying taxes, while the taxdodgers will be called upon to pay only the same rates that their competitors now pay.

Mr. Speaker, I believe that practically every Member of this Congress, regardless of party, agrees that the excise taxes which were imposed during wartime should now be repealed, or at least reduced to prewar rates. Many transportation companies are in the red. The telegraph company is said to be losing a million dollars a month. Furriers, jewelers, luggage dealers, and cosmeticians are complaining bitterly because their businesses are restricted by these nuisance taxes. Only the other day the American Retail Federation and its associates besought the Congress, before it adjourns, to take action in this matter.

Many Members of Congress have heard the taxpayers' cry and have attempted to initiate the action that is needed. Right now there are over 100 bills before the Ways and Means Committee proposing various formulas for repeal or reduction of some or all of these wartime excises: H. R. 2100 by the gentleman from Massachusetts [Mr. MARTIN]; H. R. 2097 and H. R. 2098 by the gentleman from Wisconsin [Mr. BYRNES]; H. R. 43, by the gentleman from Michigan [Mr. DINGELL]; H. R. 5510 introduced only last week by the gentleman from Louisiana [Mr. WILLIS]. These are only a few among the many.

Likewise in the Senate there are numerous bills to accomplish the same purpose, the most outstanding among them being the amendment to H. R. 3905, which was presented recently by the Senator from Colorado [Mr. JOHNSON] and approved by the Senate Finance Committee.

But we are told, Mr. Speaker, that the Treasury cannot afford the reduction or repeal of these excise taxes, and it is doubtless true that the loss of the $700,000,000 revenue now produced by these taxes would still further endanger the precarious financial condition of the Treasury. The chairman of the House Ways and Means Committee, the gentleman from North Carolina [Mr. DOUGHTON], has solemnly stated that however desirable it might be to give business this needed relief, he can see no way of doing so unless and until substitute revenue is found. The President, in his midyear economic message, proposed repeal of the 3-percent excise tax on freight, but went on to say that he would not justify changes in the tax laws that would result in a larger net loss in revenues than would result from this single item—thus denying to business the major part of the help that it needs.

Mr. Speaker, my bill, H. R. 5064, is the complete answer to the President, the chairman of the Ways and Means Committee, and all others who are searching for ways to help business stay on its feet in this period of readjustment without upsetting the delicate financial condition of the Federal Treasury. Conservatively, the provisions of my bill will bring into the Treasury more than $1,000,000,000—enough to compensate fully for the loss of revenue from repeal of the burdensome excises, and at the same time give the Government half as much again in badly needed revenue to pay our bills.

Since I spoke on this subject a month ago further evidence has accumulated to demonstrate the financial peril that confronts our Nation if we neglect to close the loopholes that are today encouraging a legalized method of doing business without paying income taxes. In my own mail, just a few days ago, there was a letter from a wholesale grocer in Indiana who wrote bluntly:

> Unless your bill, H. R. 5064, is adopted, we and our 400 customers shall reorganize as a tax-exempt cooperative. Our plans are already made. There is no other way we can stay in business against our chief competition, which is now a tax-free co-op.

From Houston, Tex., comes word that a 23-story office building in that city has been sold to a tax-exempt foundation for well over $2,000,000. Never again, unless the laws are changed, will an income tax be paid on that building's rental profits. It is, without question, one of those sale-and-lease-back deals that are becoming so popular, that are robbing the Treasury of substantial and increasing amounts of revenue.

I have just received a folder, issued by a firm of so-called industrial financiers, with offices in the financial district of Chicago, that is, to my way of thinking, the most insolent and brazen assault on the tax revenues of the United States that I have ever seen. It is legal, of course, but only because this Congress has neglected to pass two measures that have been introduced at this session in an effort to abolish this abuse—one by my colleague, the gentleman from New Jersey [Mr. KEAN], and the other by the distinguished Senator from New Hampshire [Mr. TOBEY]. According to this shameless prospectus, various sorts of benevolent foundations are finding it possible and profitable to increase their income by acquiring selected business enterprises.

> The tax-exempt status of the foundation—

I am quoting directly now—

> is the underlying factor, and the economics are based on the simple fact that a bona fide foundation can use tax-free income to amortize its investment.

Two plans of procedure are offered—the so-called Pacific coast plan and the so-called universal plan. They differ only slightly. In either case, the alleged charity buys a property at a price, it is admitted, more than could otherwise be had; the seller then pays a fixed rental for the property, and the buyer—the foundation—pays back most of these earnings to the seller without contributing one penny to the Federal Treasury in income tax on earnings—let alone the 38 percent that a competing property owner would be required to pay. Not even section 102 of the Internal Revenue Code, providing a penalty for retaining an undue percentage of earnings, applies in tax-dodging deals of this kind.

Mr. Speaker, hundreds of millions of dollars' worth of properties are being manipulated into tax exemption under this legal skulduggery. It is a loophole that must be plugged up before our revenues are entirely depreciated.

I have previously told you how the university of Louisville is about to go into the horse-racing business, with tax-free tickets, tax-free paddocks, and tax-free pari-mutuel percentages. It will be done through the reorganization of Churchill Downs in such a way that it will no longer pay into the Treasury the half million dollars a year of tax that it has paid in other years. I have told you how New York University has become the tax-free owner and operator of various factories, including macaroni, pottery, and piston rings. I have told you how 800 independent oil jobbers in the State of Iowa are now setting up a cooperative so that they will have tax-dodging equality with their chief competitors; and I can tell you now that other businesses, in other States—the independent oil jobbers in both Michigan and Wisconsin—are planning the same escape from their income-tax liabilities.

I would not have you believe these were all. The 48 States are full of concerns that have learned how easy it is to do business without paying income tax—and more and more are learning every day. Some of these businesses start from scratch and grow quickly into monopolistic bigness. Some, like the Ohio Cultivator Co., the St. Anthony & Dakota Elevator Co., the Globe Refinery, and many others—former taxpayers—sold out for the high prices that only tax-exempts can afford to pay.

Whatever the methods, the results are the same. Today, it is conservatively estimated that more than three and a quarter billion dollars of competitive commercial business is being done by tax-exempt organizations and corporations of various kinds. The taxes that they avoid paying amount to more than $1,000,000,000 a year. That billion, Mr. Speaker, is a subsidy—a hidden subsidy. It is the unwilling gift, today, of the taxpayer to the tax-dodger—the reluctant donation of

the poor little taxpayer to the rich and arrogant charitable trust, or to the educational institution, or to the cooperative, or to the Government-owned enterprise.

Let me ask you: What would be the reaction of this Congress, and of the electorate it represents, if that billion-dollar subsidy should be thrown open to public inspection? Suppose, for instance, there should be offered to the Congress each and every year a bill that might say: "There is hereby appropriated out of the moneys paid by taxpayers into the Treasury of the United States the sum of $630,000,000 as a subsidy to support the competitive business ventures of cooperatives and other mutual organizations; the sum of $173,000,000 as a subsidy to aid and assist the commercial activities of altruistic organizations; the sum of $267,000,000 as a subsidy to guarantee the profit-making success of Government-owned businesses in direct competition with private enterprise." Would you vote for such an appropriation? I think not. Yet you actually do that very thing by condoning hidden subsidies in exactly these amounts, thereby robbing the little-business man, the little taxpayer, to foster and promote competitors whose one aim is to destroy the American profit system.

Mr. Speaker, little business needs relief. Customers balk today when they find the burdensome wartime excise taxes added to the inflated prices of the goods they want to buy. Business will improve when those taxes are removed, as we all agree they should be. Business will take new courage, too, when it can once more meet competition on a more even basis—when it knows that the presently tax-dodging storekeeper, or jobber, or wholesaler, or manufacturer down the street is at last paying the same taxes, struggling under the same restrictions and regimentation as the little taxpayer.

Mr. Speaker, we have before us an opportunity to kill two birds with one stone:

First. Let us at once adopt one of the numerous bills to repeal or greatly reduce the nuisance excise taxes.

Second. Let us at the same time adopt H. R. 5064 to impose income taxes on the business income of tax-exempt organizations and corporations.

Now is the time to do it. Current statistics of the Department of Commerce show that more than 200 little businesses are being shoved into bankruptcy each week, many because continued high excise taxes drive their customers away; some because the tax privileges of certain competitors make it impossible for them to keep their heads above water. They will live and prosper if we remove the obstacles that confront them. It is as simple as that. I urge the immediate adoption of this double blessing in a single package.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 30 minutes.

A POST-ERP PROGRAM

Mr. JAVITS. Mr. Speaker, on January 20, 1949, the President said:

> We must embark on a bold, new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas.

He continued by urging "that we should make available to peace-loving peoples the benefits of our store of technical knowledge in order to help them realize their aspirations for a better life. And, in cooperation with other nations, we should foster capital investment in areas needing development." The President estimated that "more than half the people of the world are living in conditions approaching misery." The President then invited the cooperation "of business, private capital, agriculture, and labor in this country" in this monumental effort. And in his message of June 24, 1949, on the point IV program the President said of the underdeveloped areas: "They must create a firm economic base for the democratic aspirations of their citizens."

POINT IV

Much soul searching and many questions have been asked about the now-famous point IV announced by the President, and interest in it has been quickened by the fear of a domestic depression. President Murray of the CIO said on June 26 last that the time has come for "immediate action" to "stem the tide of growing unemployment." Unemployment is up and there are predictions that it may rise to as much as 5,000,000 in the next fiscal year; and the Federal deficit for fiscal 1949 of $1,800,000,000 is not reassuring on this point.

First, let us be clear about the President's finding as to the underdeveloped character of the world's economy. It has been authoritatively estimated that the average per capita income in the world is in the area of $70 per year in terms of United States 1946 dollars compared with which the United States enjoyed a per capita income in 1946 of about $1,200. The general average even of highly industrialized countries like Great Britain and France is in the area of $300 to $400 per year. Successful agricultural countries like Argentina enjoy substantially the same annual per capita income, while countries like Mexico, Italy, and Chile enjoy annual per capita incomes of about $200 per year, with China, India, and some of the middle eastern countries coming at the bottom of the scale with annual per capita incomes as low as $40 a year.

The United Nations Department of Economic Affairs, in a report published early this year, said that industrial output in most war-devastated countries was approaching or had already exceeded prewar levels, but this was only because existing plant and manpower resources were being utilized at near capacity. Yet we all know that shortages, austerity, and difficulties are still harrassing most of the world other than a few areas in North and South America and Oceania.

WESTERN EUROPE, 1952

We hear, too, authoritative predictions that by 1952, when the ERP was expected to have adequately put western Europe on the road to ability to stand on its own economic feet, it will still be suffering a dollar deficit of between one and three billion dollars with the latter more nearly accurate; and even the latter demanding what the London Economist calls prodigious efforts—an increase of 40 percent above the present level of visible exports and the turning of an unfavorable deficit of $750,000,000 of invisible exports in 1947 into a favorable balance of $1,300,000,000 in 1952. The current or rather recurrent British financial crisis due to the continued draining away of her dollar and gold reserves is certainly not reassuring either.

The economist gives three alternatives as to how this problem can be dealt with. First, the development of sources of supply, in nondollar areas, of the articles now imported from dollar areas; namely, essential raw materials and machinery. Second, greater exports by Europe to the United States directly or indirectly; and, third, reduction of the level of Europe's imports. The last is a repetition of the British austerity plan for the whole of Europe. Apart from the inability of most of Europe to stand this strain, it is highly doubtful that even Britain can do more than remain alive, but starved, under such a plan and certainly cannot attain the robust economic health essential to her own and the world's security.

The evidence seems to be clear on all sides that if we are to make the European recovery program succeed and if we are to answer the Communist challenge in the world in the overriding terms of economic well-being, we must have a plan to succeed the European recovery program and a plan to bring about world economic recovery.

We are spending in the area of five to six billion dollars a year on the European recovery program as compared with a domestic civilian economy in the United States alone of about $250,000,000,000 as gross national product, or in the magnitude of 2 percent; and with operations in our foreign trade of approximately $19,000,000,000 of which $12,500,000,000 are in exports and $6,500,000,000 in imports. These figures show that if we are to attain world recovery we must act on the scale which our own economy and the world economy implies. This does not mean, however, expansion of Government programs, for such expansion, aside from its ideological implications, would bog us down administratively. As it is today, the administration of the European recovery program is relatively superficial and does not get down into the detailed operations in the various countries which are essential to our successful supervision even of the European recovery program of self-help and mutual cooperation itself. For example, we have relatively little to do with the aspects of domestic business in the ERP countries which result from the ERP—we have little to say about whether or not they encourage free competition or cartels.

SELECT HOUSE COMMITTEE ON POST-ERP POLICY

It is time that the Congress took a broad look at the whole basis for participation by American trade and industry in the European Recovery Program and in the program of world recovery

and assess its capabilities and the legislative action which could be taken to deal with them. Such a review would involve not only the possibilities of Government guarantees of convertibility of foreign currency, a program started in the Economic Cooperation Act of 1948, but also taxation, Government interposition in American foreign investments, Government-industry partnership in foreign investment and development and similar changes. It would include also an investigation which is long overdue of the role played by the International Bank for Reconstruction and Development and the International Monetary Fund in the prospects for world recovery. For this purpose I am today introducing a resolution for the creation of a select committee of the House on post-ERP policy. This resolution follows the experience of the House in the Eightieth Congress in creating the Eaton-Herter committee. It would include in its membership representatives of the Committee on Foreign Affairs, Ways and Means, Appropriations, Banking and Currency, and Agriculture with its chairman the chairman of the Committee on Foreign Affairs. I attribute to the work of the Eaton-Herter committee a great deal of the credit for the passage of the ERP legislation, and I believe the gravity of the problems which we are facing require a similar basis for action now.

It is also important that this committee should have before it alternatives for action and it is in this spirit that I outline a program for the continuance of economic recovery in the free world and for the accelerated development of the economically underdeveloped countries.

INTERNATIONAL BANK AND MONETARY FUND

It is high time that we learned why it is that two agencies to which the United States had pledged $5,920,000,000—$3,175,000,000 to the bank and $2,750,000,000 to the fund—have done so relatively little in aid of world recovery at the most critical point in world history and why almost the whole job has been left to the United States. It is very interesting to note that one of the first actions of the National Advisory Council on International Monetary and Financial Problems which runs United States policy with respect to the bank and the fund was to ask for an interpretation by the executive directors of the bank on whether, under the articles of agreement, "the bank had authority to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans." This question was answered in the affirmative, yet for whatever reason, the record is almost blank insofar as carrying it through in any country is concerned.

The bank has interpreted almost as literally as the National City Bank of New York or the Chase National Bank the mandate in its charter that the borrower "will be in a position to meet its obligations under the loan"; yet equal consideration must be given to the other provision in its charter that "the bank is satisfied that in the prevailing market conditions the borrower would be unable otherwise to obtain the loan under conditions which in the opinion of the bank are reasonable for the borrower." The bank has the power to loan or guarantee over $8,000,000,000; it has in United States funds alone almost $730,000,000, and has raised $254,000,000 by direct bond flotations, largely in the United States market. Yet in the almost 3 years since it began operations it has made loans of only $650,100,000 through January 31, 1949.

The International Monetary Fund has aggregate authorized capital of $7,976,000,000 of which the United States' share is 34.2 percent. There has been paid into the fund over $1,300,000,000 in gold, over $927,000,000 in members' currency—of which over $300,000,000 is in United States or Canadian dollars—and $4,500,000,000 in nonnegotiable, non-interest-bearing notes of the members of which the United States share is about $2,000,000,000. The total business done by the fund since the beginning of its operations is about $650,000,000. The question is immediately raised whether the very large amount of capital in terms of United States dollars and gold—well over $3,500,000,000—is not just frozen in the fund and whether it should not be released for productive use by a merger of the bank and fund making them one institution—a merger which has been very seriously considered in responsible quarters.

In April of this year the Subcommission on Employment and Economic Stability of the United Nations commented on the operations of the fund and the bank as follows:

It is said of the bank, "It is a useful but a minor addition to assisting financial machinery at a time when world uncertainty makes venture capital extremely unventuresome," and with respect to the fund, "the most useful attitude toward the fund is that a government consider how it can do what it wants to do, from its own purely nationalistic viewpoint, without legal violation of the fund's charter."

In both the cases of the fund and the bank the United States has very broad powers. It may withdraw from either at any time and have its shares repurchased. The bank may suspend its operations permanently by vote of a majority of its directors, representing a majority of the total voting power, and the United States has for these purposes about a third of the total voting power and together with the United Kingdom a majority of the voting power. Total membership of bank and fund is 46 nations, of which 20 are of the North, South, and Central Americas alone.

Three-fifths of the members with four-fifths of the total voting power can amend the articles of agreement of the bank and any member may bring up proposed amendments before the board of governors.

Here is an area of international activity occupied by international organizations founded for fundamental purposes which we must find the way to attain. By 1952 the bank and fund will no longer be able to be overlooked by their members because they are enjoying gifts from the United States under ERP rather than seeking loans from the bank and fund.

A gifted observer, Barbara Ward of the London Economist, has recently outlined—New York Times magazine, November 14, 1948—what the bank ought to do in the following terms:

> The functions of the bank would be twofold; in the first place to insure that the free world was getting sufficient capital into international circulation and, secondly, to undertake in the world at large new models of those great projects, such as the Grand Coulee Dam, the Tennessee Valley Authority, the Dniepestroi, which seem to have as much a symbolic as economic value in the modern world. If, within 5 years of setting to work, the free nations could point to a Euphrates Valley Authority, a vast development scheme on the Yangtze, the transformation of Formosa into a powerhouse and storehouse of the Far East, the Russians could whistle up 10 more 5-year plans and still have the whole weight of western achievement working against them.

Miss Ward wrote before the recent Chinese nationalist debacle but such action could have helped to avoid it.

So prevalent is the opinion—with which the bank and fund are regarded—that even in United Nations circles it is being seriously proposed that there be organized a United Nations Economic Development Administration heavily financed with United States Government capital for the purpose of taking over the job which the world expected that the bank and fund would do.

PRIVATE INVESTMENT ESSENTIAL

A recent survey of the results of the European recovery program was made by the authoritative United Nations Economic Commission for Europe, a very interesting group having upon its representatives both of eastern and western European nations and headed by a Swedish chairman. This Commission came to the conclusion that even with an increase of 60 percent in overseas sales, European countries would still be faced in 1952 with a $3,000,000,000 deficit in trade with the United States, assuming that they maintain their current volume of imports from the United States.

The Commission came to the conclusion that the only hope for a Europe able to stand on its own feet after the European recovery program is ended in 1952, lies in a major program of capital investment for specific development projects staggered over a period of time. Yet in the face of these estimates, the best and most optimistic estimate—made by a representative organization of private business which has studied the problem, the international relations committee of the National Association of Manufacturers—is that but $2,000,000,000 of private investment capital can be made available as the aggregate of private foreign investment from the United States after the completion of the European recovery program—and that means an aggregate for investment everywhere and not just in Europe.

Under the circumstances, President Truman's bold new program, so widely hailed as America's post-ERP solution for the world's economic ills, must be wrong somewhere if it alone is designed

to cope with a multi-billion-dollar problem in Europe and the world while being gaged to a total of $45,000,000 from the United States out of a total UN appropriation of $105,000,000.

Diametrically opposed views with respect to the conditions of foreign investment are found in the recent report of the Subcommittee on Economic Development of the United Nations with respect to underdeveloped countries in the following terms:

29. Public opinion in the underdeveloped countries, therefore, urges the imposition of certain conditions on the entry of private foreign capital. Among the more important of these conditions which are usually mentioned are provisions for domestic participation in the capital structure of enterprises promoted by foreign concerns within the country, for effective domestic participation in policy making and management of these concerns when operating within their boundaries, the imposition of an obligation on such concerns to reinvest within the country at least a portion of the profits that they make within the country and of an obligation on these concerns to give adequate technical training, in the working of these concerns, to the nationals of the country, and the provision of facilities for the acquisition by such nationals of the technical know-how possessed by these concerns.

30. On the other hand, private investors in the capital-exporting countries appear hesitant regarding the advisability of making private investments abroad in the absence of certain conditions governing the security of their investments, the transfer of their profits, and the effective management of their operations. Thus, for example, among conditions sometimes put forward by private investors in the capital exporting countries are: guaranties from the governments of the capital-importing countries that investments will not be taken over without adequate compensation, that exchange facilities will be provided for the transfer of profits and of capital, that no conditions be imposed requiring participation by nationals of capital-importing countries in equity investments, that no conditions be imposed regarding participation by such nationals in the policy making or operating bodies of such concerns or that no obligations be imposed on such concerns to train nationals of capital-importing countries or make it possible for them to acquire the technical know-how possessed by these concerns. It has also been suggested that bilateral treaties on private foreign investment be arrived at.

I think it is fair to say under these circumstances that those in high places don't know quite what to do and have little confidence in the remedies that they have proposed. It seems clear, too, that American private business in which alone resides the experience and facilities to proceed on a great program of foreign private capital investment or of engaging manpower and technological skill for foreign economic development does not know what to do either. Yet, Amercian business has never in its history shrunk before the challenge of war or failed to magnificently meet that challenge in terms of enough production on time. Why then should it fail to meet the challenge of peace?

FOUR-POINT PROGRAM

I believe that the time has come for a totally new approach to the world's economic problems in which the United States should lead, and that the willingness to take the needed steps must be premised on the will to avoid war by obtaining an economic triumph over the Communist system rather than a military triumph. In this spirit, a partnership of the United States Government and of United States private business for overseas economic development is essential. Only on these terms can the job be done and America's fundamental resources be harnessed to meet the test of winning the peace.

I propose, therefore, a four-point program for post ERP recovery and for the economic development of underdeveloped areas calculated in a magnitude realistically to meet these problems:

First. Utilization by the Government of the great resources of business and industry in extending technological assistance to underdeveloped areas which are part of the free world, through research and development contracts of the type made during the war between Government and business.

Second. Government guarantees against political risks for American private investment contributing to the economic improvement of developed countries and the development of underdeveloped areas of the free world, both of the capital invested and of a reasonable interest rate or return, guaranteeing convertibility into dollars.

Third. The creation of a great world financing organization by a merger of the International Bank and Fund, or if this cannot be accomplished, by the organization of an economic development corporation with United States Government capital in the amount of $10,000,000,000 to engage in partnership ventures with American business and industry, for the continuance of recovery in developed countries and the economic development of underdeveloped areas of the free world.

Fourth. Enactment by the Congress of the reciprocal-trade agreements program which expired June 30, and passage of the enabling act for acceptance of membership by the United States in the International Trade Organization.

It is anomalous that the Nation which will spend $17,000,000,000 for the European recovery program, has an annual budget of almost $42,000,000,000, has an annual non-Government income of about $215,000,000,000 and gross national product of over $250,000,000,000, and possesses the greatest resources in skilled men and productive machinery and raw materials which the world has ever known, should be thinking of a great program of economic reconstruction for the world in terms of $45,000,000 to be devoted to the President's point IV. Our experience in the Reconstruction Finance Corporation itself, in the Home Owners' Loan Corporation, in the FHA mortgage insurance program indicates that underwriting the development of American resources whether of property or investment is always a money-making rather than a money-losing venture.

The first means for utilizing America's technological resources is already dealt with by legislation the President has sent to the Congress. Where these resources are required, private business should, under contract with the Government, devote its technological and planning staffs for stated periods for the purpose, payment to be made as the United States may be able to arrange between itself and the participating country. So long as the contract is in effect, the operation is to be carried on under governmental supervision and control by the United States. The participating company has the option to renew its contract or to withdraw and thereby maintain that freedom of action so essential to the efficiency and success of the operation.

ECONOMIC OFFENSIVE IN ASIA

The use of this technique is of the most critical importance in Asia where we are definitely on the defensive in the struggle against the Communist ideology. Nothing could be more electrifying to the peoples of Asia than a broad-scale effort by the United States to improve their physical conditions of living. We obviously cannot hold Asia against communism with soldiers or with diplomacy or with traditional influence, but the mobilization of America's resources in skilled manpower for the purpose of aiding Asiatics with their problems of unproductive agriculture, primitive transport, even more primitive sanitation, lamentable conditions of health and almost total absence of other welfare services could have a most powerful influence. Our skilled soldiers of peace would be welcomed in Asia and can operate effectively in areas like South China, Indochina, India, Pakistan, Burma, Indonesia, and Malaya from which they could spread their influence by the quality and reputation of their work deeply into Communist-held China.

In the field of foreign private investment the pattern established by the guaranties to private business investment under the European recovery program is already dealt with by legislation sent to the Congress by the President. These guaranties are fundamentally only to be approved where the participating country concerned first agrees that the project will further its own and international economic development. Projects include not only new ventures but expansion, modernization, and development of existing enterprises, and all enterprises must be consistent with the national interest of the United States.

Guaranties are not alone limited to the amount of the investment but include also actual earnings and profits as may be agreed upon for each guaranty and a fee is charged for each guaranty which, intelligently administered, could almost make of the guaranties a mutual insurance fund.

The guaranty protects against political risks and not economic risks. These include expropriation, destruction by riot, revolution or similar action, transfer restrictions, and exchange depreciation. Problems with respect to participation in management by local employees, instruction of indigenous personnel in technical operations and sharing of ownership with local interests will depend upon agreement on a bargaining basis by the participating country and the participating company as approved by the United States.

PRESENT LEGISLATIVE PROGRAM INADEQUATE

But the technical aid to underdeveloped nations and guaranties of convertibility of investment and income from American private investments abroad contributing to economic development, alone are likely to prove inadequate. It has been pointed out time and again that businessmen and individuals will not invest abroad with all the hazards involved particularly today in view of the ideological struggle going on in most countries of the world, in return for the modest return likely to be realized even though it is convertible into dollars. Furthermore, the maximum estimates with respect to American private investment abroad of $2,000,000,000 hardly augurs well for making available by this means the sums necessary for economic improvement in developed countries and to open up underdeveloped countries by increases of their standards of living sufficient to absorb the exports, which increased production in industrialized countries, including our own, are bringing about.

UNITED STATES FEAR OF DEPRESSION

One of the key points in the current fear of depression in the United States is the question of what is likely to happen to the economy of the world when we conclude ERP in 1952. If we are to stop at that point, western Europe will have been saved for the time being from communism, but world economic stability will be far from achieved and we will be sentencing the world to austerity and retrenchment for years—and perhaps to another war. The world is so critically short of investment capital and investment goods, it is so much in the ferment of transition especially in Asia, that this conclusion, absent our courageous and continuing cooperation, is inevitable. Major advances in production during the war have given us world leadership and raised our own standard of living at least 25 percent. To stand still now is to retrogress. It is noteworthy that our Federal budget deficit for fiscal 1949 is due to the lessening of income shown by smaller tax withholdings from wages and salaries. More income from more production and more trade, not less income, is the answer to budget surplus and national well-being. The answer to how far we can go in the world depends more on increasing our income to make our spending less burdensome than it is now—essential as indeed is governmental economy like that suggested by the Hoover Commission on Government Reorganization.

ECONOMIC DEVELOPMENT CORPORATION

To provide the means for investment on the scale required by world recovery and developments of the economically underdeveloped countries adequate to form the needed basis for world economic prosperity, either a single international financing organization is required such as would result from a merger of the International Bank and the Fund; or a great, new Economic Development Corporation is needed financed by the United States Government in a magnitude proportioned to the business to be done. We must be thinking in terms of initial capital in the magnitude of $10,000,000,000.

An Economic Development Corporation would function very much like the Reconstruction Finance Corporation in extending loans on mortgage, or otherwise, to prospective investors and developers abroad, and in acquiring securities from such investors or developers, in effect creating a Government-business partnership. Such companies could also be participated in by governments or individuals in the areas where economic development work is to be undertaken.

Cooperation with participating countries would be likely to determine the success or failure of the whole program and there we should adopt the procedure so successfully worked out in connection with the European recovery program. We should bring about the establishment of regional organizations of participating countries like the Organization of European Economic Cooperation of the 19 countries participating in the ERP, which can advise with us on over-all plans for particular regions with similar economic, social, and political interests. From this would logically follow the negotiation of agreements or treaties giving fair protection for and preventing discrimination against investments by United States nationals and the new Economic Development Corporation in such areas. The work of the Bank and the Fund to help members to get their internal financial and economic affairs in order would continue.

Investment or loans by the consolidated International Bank and Fund, or by the Economic Development Corporation would go far to quieting the fears of American businessmen that the United States Government would leave them adrift at some point after encouraging them to undertake broad-scale ventures for overseas economic development.

OUR CHOICE

Succeeding ERP we can have an intergovernmental loan program probably scaled down to around $3,000,000,000 a year which is likely to put the world on a permanent dole from us or, having gotten western Europe off its back and on its feet, we can try to revitalize the world's trade, modernize its production plant, improve its products, and make operations more efficient in this way enabling free nations to sustain themselves and to go ahead in the industrial age. The techniques for this purpose which I have specified are proportioned to the size of the job.

Much has been made of tax-exemption inducements for American private investment overseas in a program of economic development. The danger of discriminating in favor of such investments and against investments in the United States is obvious; yet it may be possible to offer a legitimate inducement by relieving overseas investments from the burden of double taxation on the profits earned and the dividends declared out of them. The basic reason for this action would be that in such an investment it becomes impossible to operate as an individual or a partnership and that the corporate operation is not a privilege but a necessity; hence, it should not be penalized by double taxation as it is in domestic business.

We are but two short fiscal years away from the end of the European Recovery program. If we do not encourage the free world with such constructive efforts as are here urged now, we shall be faced at the end of fiscal 1952 with a renewed threat of international collapse. If we wait until this threat faces us it is likely to result in forcing us into a new recovery or aid program again without promise of a permanent improvement in the free world's economic fortunes. Should such a recovery or aid program have to be continued after 1952, it would be justifying the criticisms of the enemies of the ERP that it represents the beginning of a permanent dole by the United States to the other nations of the world in a continuing effort to finance our exports and in this way to hold ourselves up by our own bootstraps. Should this criticism prove justified the self-respect of the western European nations and indeed of all the democracies could soon lead them into a surrender to the extremism of the right or of the left, both equally fatal to America's aspirations for peace in the world.

What is needed is not only a bold new program but a new world program the magnitude of which will be proportioned to the vast size of the problems to be dealt with.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman just used an expression about putting the world on a dole from the United States. How long does the gentleman think the United States could stand supporting the world on a dole?

Mr. JAVITS. That is exactly the reason for my proposal, that we do not want the United States ever to be put in the position where it has to count how long it can stand it. The world should be ready in 1952 to be able to paddle its own canoe, with the necessary investment capital furnished in the way I have described. One of those ways does not need new money from the United States, to wit, a merger of the fund and the bank.

Mr. WHITE of Idaho. The gentleman realizes that when he is talking about money he is talking about credit tokens. Does the gentleman know of any money that is in circulation that is real money?

Mr. JAVITS. The money of the United States is real money, being foundationed on the greatest productive power the world has ever known, to the extent of over $250,000,000,000 a year. If we handle it right, it can go to $300,000,000,000 or more. I think that is the realest money that mankind has ever envisaged, much more real than gold, which is perfectly useless in and of itself.

Mr. WHITE of Idaho. Is the gentleman cognizant of the fact that J. P. Morgan the elder, when appearing before one of the committees of Congress, was asked what was money, and said that only gold was money? The gentleman does not subscribe to that?

Mr. JAVITS. No; I do not. I think that is by now an outmoded concept. I

think money is in terms of the working power of a people and the production which a great Nation like ours has. Our mines, our factories, our railroads, and our people's skill, those are our money.

Mr. WHITE of Idaho. The gentleman knows that all these loans of our money to European countries are simply a draft on the things the gentleman has just enumerated, the resources of this country, which the gentleman calls money. They come back here, and it is a draft on the products of the men that work in the factories and the farmers that work in the fields.

Mr. JAVITS. I would want to see it made a draft to give men more work, make our resources more productive and make the country more prosperous. That is the reason for my proposal.

Mr. WHITE of Idaho. Is the gentleman familiar with the experience that France had with the so-called assignat back in the eighteenth century?

Mr. JAVITS. I have read a good deal about the history of all kinds of inflated money and paper moneys. I repeat to the gentleman what I said before, that none of them were premised on the skill, resources and productive capacity of a nation such as the United States, or anything remotely resembling this country and therefore I do not consider the cases at all similar.

Mr. WHITE of Idaho. What the gentleman calls money is simply credit, is it not?

Mr. JAVITS. I am sorry, sir, but I do not want to debate the question or the semantics of terms.

Mr. WHITE of Idaho. I am just asking the gentleman for information. The gentleman, in his statement at the point that I first asked him to yield, mentioned a large fund in the so-called World Bank.

Mr. JAVITS. Yes, I said World Bank.

Mr. WHITE of Idaho. Would you advocate lending that money to nationals or firms of other countries, or to the governments of such countries?

Mr. JAVITS. I would recommend lending that to governments or nationals, depending on what would be the most productive. The World Bank then would not be restrained in that way and could handle the matter either way, as the situation required.

Mr. WHITE of Idaho. Was that fund created to be loaned to firms or nationals or to the governments of these countries?

Mr. JAVITS. The bank's funds essentially were created to be loaned to whoever could make the best use of them, and the bank, under its charter, could lend accordingly.

The fund was created after arrangements with the Government.

Mr. WHITE of Idaho. In the light of our experience in dealing with the nationals of foreign countries and making loans to foreign countries in the past, does the gentleman think that we have perfectly sound security?

Mr. JAVITS. I think that engaging in the kind of program which I envisage, to wit, for productive purposes and developing underdeveloped areas and further developing developed areas would be sound and infinitely superior to any other program that we could pursue.

Mr. WHITE of Idaho. The gentleman realizes that he is opening up a big question and that we could talk this over for a long time without coming to any conclusion. But I just wanted some information, and I wanted to know what the gentleman advocated.

Mr. JAVITS. I thank the gentleman very much.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 15 minutes.

FEDERAL AID TO EDUCATION

Mr. LANE. Mr. Speaker, I am opposed to the Barden bill, otherwise known as H. R. 4643 and sometimes miscalled the Federal aid to education bill.

I am fighting against it because it draws the line between public school children and parochial school children and is thereby a violation of those American ideals in which all of us share.

"All men are created equal." This is a Christian concept and an American concept. Together, these spiritual and political values have built the greatest Nation on earth.

There are those, however, who would attempt to divorce this twin strength and splinter our unity.

They would favor one child at the expense of another.

Catholics are not second-class citizens and they will oppose any legislation, however, well meaning, which in effect discriminates against them. The committee considering this bill was motivated by the realization that education is the strong right arm of liberty in its defense against totalitarianism. Fine. But such legislation must be consistent with freedom and equality if it is to succeed in its high purpose.

The Barden bill starts out with an ideal and then contradicts it. This is supposed to be "Federal aid to education." Not to some schools, but to all. For instance, the present bill adds up all the children in a particular State to determine the money to be appropriated to that State. Then it subtracts all children attending parochial or private schools in apportioning the benefits. This, I maintain, is discriminatory bookkeeping.

Furthermore, it is in defiance of legal precedent. The several states have provided from public tax revenues, certain auxiliary aids to sectarian schools. And the courts have ruled that the States are well within their rights in so doing. To provide children attending parochial or private schools with such incidental services as medical and dental examinations, nursing attention, transportation, and nonreligious textbooks, is only part return for the moneys which the parents of these children have contributed through general taxation. In fact, these parents bear a double burden, which is manifestly unfair. They pay their share in supporting the public school system and an extra share to support parochial schools whose added function is to teach the young those eternal truths of religion which are the true staff of life.

Besides, the members of religious teaching orders who have devoted themselves to God, and who ask nothing more for their self-sacrificing labors than to develop children who are a credit to themselves and to their Creator, are a blessing to the American taxpayer for the weight they have cheerfully taken from his shoulders. Is it too much to ask that the children in their care be treated on the same basis as all other American children?

The most serious threat to our national security comes from communism, which is aimed at the Americanism of Protestant, Jew, and Catholic alike. In Europe we find that the Catholic Church is the one great obstacle to atheistic, materialistic and brutal communism. In the United States it is likewise opposed to this hideous doctrine, and minimum of help to parochial children, or to withhold it from those youngsters whose training is so thoroughly American in that it teaches respect for the individual and loyalty to God and country.

On the contrary, we must meet and conquer Communist treachery by national unity and national morale, by the cooperation of all groups opposed to communism. We can do this by exemplifying in our day-to-day conduct that equality of opportunity in every field, education included, which is the life-given air of the democracy we breathe.

Already 22 of the 48 States allow some use of State funds to extend such aid as bus transportation, free nonreligious books, and tuition payments to pupils of private schools. Recent Supreme Court decisions are interpreted as meaning that the States have the right to offer such indirect help. Yet, the Barden bill denies this.

Which gives rise to the suspicion that the Federal Government wants to control all education and will refuse all aid to private schools until such time as these schools are willing to obey its edicts in every respect. This is a dangerous trend.

Considering the whole question of Federal aid to education, that distinguished citizen, President Dwight D. Eisenhower, of Columbia University, said, in part:

> It would completely decry and defeat the watchful economy that comes about through local supervision over local expenditures of local revenues.

In short, unless we are careful, even the great and necessary educational processes in our country will become yet another vehicle by which the believers in paternalism, if not outright socialism, will gain still additional power for the central Government. Very frankly, I firmly believe that the army of persons who urge greater and greater centralization of authority and greater and greater dependence upon the Federal Treasury are really more dangerous to our form of government than any external threat that can possibly be arrayed against us. I realize that many of the people urging such practice attempt to surround their particular proposal with fancied safeguards to protect the future freedom of the individual. My own conviction is

that the very fact that they feel the need to surround their proposal with legal safeguards is in itself a cogent argument for the defeat of the proposal.

The 2,500,000 children attending nonpublic schools, their parents, friends, and coreligionists, add up to a formidable case against the Barden bill. They, and those who speak up for this viewpoint in the Congress will never relax in their opposition to legislation which uses a denial of constitutional rights as a subtle form of pressure to make our whole educational system subservient to centralized political control.

We have permitted the Federal Government, with definite limitations of power, to finance and participate in such large-scale national programs as social security and housing. These deal primarily with the material things of life. But education, concerning the mind and spirit of man, is the most precious responsibility of all. It must remain free from political domination.

As Senator TAFT said in his 1943 criticism of Federal aid to education:

> Federal subsidy in the end means Federal control.

This is not to discount the fact that there are serious educational problems. There is need for better facilities, among other factors. If a few States can prove that they cannot support their public schools, then bills should be presented in the Congress to provide for these emergency situations, and without prejudice to private schools. The point at issue in such a situation is to keep the Federal Government from arrogating to itself that over-all control from which, once established, there is little hope of escape. At all costs, we must preserve home rule.

According to a Supreme Court opinion, the Federal Government has a right to control that which it subsidizes. Concerning a farm case in the State of Ohio Chief Justice Jackson ruled:

> It is hardly lack of due process for the Federal Government to control that which it subsidizes.

All of us must honestly face the fact that the proposed Federal aid to education bill would only mark the beginning of a trend which would be difficult to check. That is why consideration of the initial step is most important. Once the die is cast, forces would be set in motion which could conceivably revolutionize the developing pattern of American education in a headstrong fashion inimical to our best traditions and our steady progress.

The President's Commission on Higher Education is not content with the present request of $300,000,000. It has indicated—in its program of scholarships for higher education—a scale of increase which would bring the total annual appropriations for this purpose up to $1,000,000,000 a year by 1960. As other parts of the stepped-up program are spelled out, we can expect a total appropriation of approximately $2,250,000,000 as an aid to higher education alone by the year 1960.

Applying this yardstick to present appropriations sought for aid to grammar and high schools, we arrive at a figure of $1,000,000,000 by 1960. The grand total would then reach such proportions that any question concerning control would be idle debate in the face of an accomplished fact.

We must resist this opening wedge of Federal aid to education because it is discriminatory in the first place. Secondly, this arbitrary approach confronts us with the issue as to whether we shall keep State and local control of education or whether we shall capitulate to the easiest way, which in the long run is the dangerous way—Federal support and Federal control of all education.

The struggle will be won or lost on the first battle.

Once we admit, approve, and accept Federal aid the tide will run against us. Once the practice is in force, the public would submit to Federal regulation before they would give up the appropriations to which they had become accustomed. We would forfeit our local and democratic responsibilities in such matters, and surrender every freedom to the all-embracing appeal of a security which knows no limit this side of totalitarianism.

We must not fall for this "foot-inside-the-door" technique, because the first concession is the major and all-determining one. Once we have sacrificed the fundamental principle involved, we are on the toboggan slide where there are no brakes.

Let us bear in mind the following resolution adopted by the supreme board of directors of the Knights of Columbus, representing the more than 760,000 members of that society whose views coincide with those of many millions more in our Nation:

> Whereas one of the cherished and inalienable rights guranteed by the Constitution of the United States is the right of parents to further the education of their children in the schools of their choice, either public, parochial, or private; and
>
> Whereas the history of our country, past and recent, abundantly proves that parochial schools, maintained at great cost to Catholic taxpayers, effectively prepare children for the responsibilities of American citizenship and graduate young men and women qualified to vote, eligible for public office and subject to military service; and
>
> Whereas the Barden Federal aid to education bill, H. R. 4643, in effect repudiates the rights of parents, and reduces parochial-school pupils to a status of second-class citizenship by depriving them of the bus rides, nonreligious textbooks and health aids to which they have a Constitutional right; and
>
> Whereas the Barden bill, which counts parochial-school pupils in for the purpose of computing the Federal aid to be granted and counts them out of their share of benefits, is the worst and most objectionable Federal aid bill ever approved by any congressional committee: Be it
>
> *Resolved*, That the supreme board of directors of the Knights of Columbus is unalterably opposed to this, or any other Federal-aid-to-education legislation which fails to guarantee that the essential services mentioned will be available to all children in both public and parochial schools.

This bill constitutes a dangerous precedent.

It is a threat to our national unity.

It is unequal and unfair.

In the name of all that is American, it merits defeat.

EXTENSION OF REMARKS

Mr. WHEELER asked and was given permission to revise and extend his remarks in the RECORD.

WARTIME EXCISE TAXES SHOULD BE REPEALED

Mr. CURTIS. Mr. Speaker, the time is at hand when our wartime excise taxes should be repealed.

These taxes are retarding business and destroying jobs now. Unemployment is rising throughout the country, and the continuation of any tax that is destructive to our economy is unsound.

I speak of such excise taxes as those on toilet articles, barber and beauty supplies, jewelry, furs, movie tickets, communication and transportation charges.

The people back home who know the situation are demanding repeal of these taxes.

This wartime excise tax on jewelry applies to all articles whether they are a necessity or not. The tax is cutting down the sale of these articles. In turn, this means revenue loss for the retailer. His clerks and everyone with whom he spends his money suffer his income loss.

As a result, wholesalers are doing less business and orders are not being placed with our factories. When factories slow down or close, workers are jobless, incomes drop, with a consequent loss of Treasury receipts.

A similar situation prevails with furs. A coat, of course, is a necessity. If a woman's coat is made of cloth there is no excise tax on it. But if it is fur, there is a 20-percent-wartime tax. Consequently, people are not buying fur garments.

Retailers and wholesalers are losing business profits on which they pay taxes. Fur manufacturers are going out of business, thus losing profits on which they would pay taxes. The jobless fur workers seek unemployment compensation, an added demand on Treasury funds. At the same time, these workers no longer have wages on which to pay income tax.

At the end of the line is the fur farmer who takes the full force of the impact. He cannot sell his pelts and is faced with the same loss of livelihood.

Much has been said about luggage and ladies' handbags. The situation speaks for itself. These taxes ought to come off.

Mr. Speaker, I would call your attention to the situation with regard to the movie theater in the average American town. Movies are the amusement for the rank and file of Americans. The bulk of our citizens cannot go to swank night spots, or join exclusive recreational clubs, or take costly vacations or journey to a distant city to see a big-league baseball game. Their amusement is the home-town movie. But we are taxing those movie tickets at the heavy wartime rate of 20 percent. It is not right. It is not sound. That tax should be repealed.

We are still taxing at wartime rates the baby powder and baby oil that a

mother uses to care for her infant, under the heading of toilet goods. These wartime excise taxes on toilet articles should be repealed entirely.

We even tax the tools with which men make a living. I refer to the tax on the toilet articles and cosmetics used by a barber or beauty shop. A tax is imposed upon the soap, powder, and hair oil the barber uses on his customers. The barber has to absorb that extra cost.

Barbers and beauticians are saddled with an additional hardship. If they want to sell a bottle of hair tonic now and then, they must have a double set of books to keep track of the tax. The tax for preparations used in the shop is paid by the owner or agent when he buys the material. If he sells the preparations to a customer, the barber does not pay the tax when he buys from the wholesaler, but he collects the tax from his customer and remits that. This is not all the story. The barber or beautician is required to sign a vicious statement declaring that if the merchandise used in the shop is mixed up with that which he sells, he will be fined $10,000 and jailed for 5 years.

Mr. Speaker, the House of Representatives passed my bill, H. R. 3825, in the Eightieth Congress, but the other body failed to act. I again have a special bill to take care of this particular problem of the barber and beauty shops. It is H. R. 1712.

So that you may know about this burdensome and unfair tax on barber and beauty shops, I want to insert in the RECORD this certificate of purchase for resale which these people have to sign if their shop handles cosmetics for retail. This was furnished to me by Mr. Kenneth Green, a fine citizen and businessman of Lincoln, Nebr. The certificate is as follows:

CERTIFICATE OF PURCHASE FOR RESALE

GREEN SUPPLY CO.,
Lincoln, Nebr.:

I operate the----------
(State name of beauty or barber shop)
Located at----------
(State address)

and hereby certify that all retail package sizes (as distinguished from professional package sizes) of toilet preparations and cosmetics which I purchase from you shall be resold by me and not used in the operation of my beauty (or barber) shop.

I understand that if any of the above articles purchased for resale are used by me in the operation of my beauty or barber shop, or resold by me at retail, I will be liable for tax on such use or resale. It is understood that the fraudulent use of this certificate to secure exemption will subject the undersigned and all guilty parties to a fine of not more than $10,000 or to imprisonment for not more than 5 years or both, together with costs of prosecution. The undersigned also understands that he (or she) must be prepared to establish competent evidence that the articles were actually purchased for the purpose for which stated in this certificate.

(Name of shop)

(Owner or agent)

(Address)

Dated----------

The Treasury Department will not interpose objections to this form of certificate of purchase for resale.

Mr. Speaker, the country wants excise-tax relief now. This barber and beauty shop bill should be passed and all of these other industries and businesses should be relieved of these unfair, unjust, and wartime taxes. I might go on and mention other industries—the tax on freight bills and railroad tickets, on long-distance telephone calls and telegrams. The average American perhaps does not make a long-distance call or send a telegram unless there is a tragedy in his family. And when he does, Uncle Sam collects a tax of 25 percent of the cost of that call or telegram. The people are entitled to relief from these wartime burdens.

This tax relief can be granted, and further tax reduction can be made if waste and useless spending can be ended by this Government. No system of private enterprise has ever survived in a country where more than 35 percent of the national income was taken in taxes. We are reaching that point now and the people demand relief.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. PRESTON, for July 14, on account of official business.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 14 minutes p. m.), under its previous order, the House adjourned until Monday, July 18, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

768. A letter from the Acting Secretary of the Navy, transmitting a report of a proposed transfer of a crash boat (less engine), or craft of similar type, to Schmidt-Hoeger Post 3149, Veterans of Foreign Wars of the United States; to the Committee on Armed Services.

769. A letter from the Acting Executive Secretary, National Advisory Committee for Aeronautics, transmitting a report of contracts negotiated under sections 2 (c) (11) and (16) of the Armed Services Procurement Act of 1947 for the period January 1, 1949, to June 30, 1949; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 246. Resolution authorizing expenses of conducting studies and investigations of certain matters pertaining to immigration; without amendment (Rept. No. 1048). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 252. Resolution providing for the expenses of conducting the studies and investigations authorized by rule XI (1) (h) incurred by the Committee on Expenditures in the Executive Departments; without amendment (Rept. No. 1050). Ordered to be printed

Mrs. NORTON: Committee on House Administration. House Joint Resolution 298. Joint resolution to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the Office of the Sergeant at Arms of the House of Representatives; without amendment (Rept. No. 1052). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 52. Concurrent resolution authorizing the printing of additional copies of the publications entitled "100 Things You Should Know About Communism in the U. S. A.," "100 Things You Should Know About Communism and Religion," as amended, "Spotlight on Spies," "100 Things You Should Know About Communism and Education," "100 Things You Should Know About Communism and Labor," and "100 Things You Should Know About Communism and Government"; with an amendment (Rept. No. 1053). Ordered to be printed.

Mrs. NORTON: Committee on House Administration: House Joint Resolution 295. Joint resolution to erect a memorial to the memory of Mohandas K. Gandhi; without amendment (Rept. No. 1054). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. H. R. 3417. A bill to amend the act entitled "An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians, approved April 10, 1928, and for other purposes"; without amendment (Rept. No. 1055). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. H. R. 5188. A bill to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo Locks; without amendment (Rept. No. 1056). Ordered to be printed.

Mr. SABATH: Committee on Rules. House Resolution 283. Resolution providing for the consideration of and waiving all points of order against H. R. 5345, to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, and providing further for the insertion of the text of the bill, H. R. 5617, and waiving all points of order thereon; without amendment (Rept. No. 1057). Referred to the House Calendar.

Mr. O'TOOLE: Committee on Merchant Marine and Fisheries. S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes; without amendment (Rept. No. 1058). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'TOOLE: Committee on Merchant Marine and Fisheries. S. 1136. An act to amend the Canal Zone Code, and for other purposes; without amendment (Rept. No. 1059). Referred to the Committee of the Whole House on the State of the Union.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 4749. A bill to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health; without amendment (Rept. No. 1060). Referred to the House Calendar.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 4892. A bill to provide for the admission of pay patients to the Home for the Aged and Infirm; without amendment (Rept. No. 1061). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 5598. A bill to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct"; without amendment (Rept. No. 1063).

Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 5632. A bill to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes; with an amendment (Rept. No. 1064). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 1370. A bill authorizing the appointment of three additional judges of the municipal court for the District of Columbia, prescribing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes; with an amendment (Rept. No. 1065). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 3343. A bill to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain business corporations in the District of Columbia; with an amendment (Rept. No. 1066). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMATHERS: Committee on Foreign Affairs. House Joint Resolution 297. Joint resolution authorizing Federal participation in the International Exposition for the Bicentennial of the Founding of Port-au-Prince, Republic of Haiti, 1949; with an amendment (Rept. No. 1067). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROONEY: Committee of conference. H. R. 4016. A bill making appropriations for the Departments of State, Justice, Commerce, and the Judiciary; without amendment (Rept. No. 1068). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 254. Resolution to provide payment to The Congressional, Inc., for hotel service provided Miss Elizabeth T. Bentley; with an amendment (Rept. No. 1049). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 275. Resolution for the relief of Arletta B. Roberts; without amendment (Rept. No. 1051). Ordered to be printed.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 4789. A bill to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich; without amendment (Rept. No. 1062). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND:

H. R. 5640. A bill to provide for the continuance of family benefits to civil-service employees separated after 20 years' service; to the Committee on Post Office and Civil Service.

By Mr. RABAUT:

H. R. 5641. A bill to amend the Tariff Act of 1930 with respect to the duty payable on materials returned after exportation from the United States for manipulation, where such manipulation does not change the rate of duty applicable to such materials; to the Committee on Ways and Means.

By Mr. STOCKMAN:

H. R. 5642. A bill authorizing annual payments to States, Territories, and insular governments, for the benefit of their local political subdivisions, based on the fair value of the national-forest lands situated therein, and for other purposes; to the Committee on Public Lands.

By Mr. O'BRIEN of Michigan:

H. R. 5643. A bill to provide for the appointment of postmasters by the Postmaster General at post offices of all classes by promotions within the service; to the Committee on Post Office and Civil Service.

By Mr. PETERSON:

H. R. 5644. A bill authorizing an alternate route for that portion of the Intracostal Waterway from the Caloosahatchee River to the Anclote River, Fla. (H. Doc. 371, 76th Cong.), near Venice, Fla.; to the Committee on Public Works.

By Mr. VURSELL:

H. R. 5645. A bill to amend section 3403 (c) of the Internal Revenue Code to repeal the tax on rebuilt, reconditioned, and repaired automobile parts and accessories; to the Committee on Ways and Means.

By Mr. BARING:

H. R. 5646. A bill to amend the Stock Pile Act of 1946, Public Law 520, Seventy-ninth Congress, chapter 590, second session; to the Committee on Armed Services.

By Mr. BOGGS of Louisiana:

H. R. 5647. A bill to prohibit the picketing of United States courts; to the Committee on the Judiciary.

By Mr. GAVIN:

H. R. 5648. A bill to make reclaimed lubricating oils subject to the excise tax on lubricating oils; to the Committee on Ways and Means.

By Mr. KELLEY:

H. R. 5649. A bill to authorize the issuance of a special postage stamp in honor of Samuel Gompers; to the Committee on Post Office and Civil Service.

By Mr. MURRAY of Tennessee:

H. R. 5650. A bill to amend the act of August 8, 1946, relating to the payment of annual leave to certain officers and employees of the Federal Government and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BLATNIK:

H. R. 5651. A bill to amend the act of May 29, 1944, to provide for the recognition of services of additional civilian officials and employees, engaged in and about the construction of the Panama Canal; to the Committee on Merchant Marine and Fisheries.

By Mr. CUNNINGHAM:

H. R. 5652. A bill to establish a procedure by which the Administrator of Veterans' Affairs may bring charges against educational institutions and by which procedure the educational institutions may answer such charges before an impartial agency; and to authorize the Veterans' Administration to reimburse State approved agencies for expenses incurred by them in ascertaining the qualifications of educational institutions for furnishing training to veterans and for expenses incurred in supervising educational institutions offering such training; to the Committee on Veterans' Affairs.

By Mr. RODINO:

H. R. 5653. A bill to amend the Social Security Act so as to provide that deportable aliens shall not be entitled to certain social-security benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. TACKETT:

H. R. 5654. A bill for the relief of persons discharged from the draft in World War I; to the Committee on Armed Services.

By Mr. ALLEN of California:

H. J. Res. 300. Joint resolution to appoint a board of engineers to examine and report upon the proposed central Arizona project; to the Committee on Public Lands.

By Mr. O'HARA of Illinois:

H. J. Res. 301. Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on House Administration.

By Mr. PETERSON:

H. Res. 284. Resolution providing for the consideration of the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes; to the Committee on Rules.

By Mr. RANKIN:

H. Res. 285. Resolution providing for the consideration of H. R. 5598, a bill to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct"; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHELF (by request):

H. R. 5655. A bill for the relief of Helen Surma; to the Committee on the Judiciary.

By Mr. CROOK:

H. R. 5656. A bill to authorize a change in date of rank on the active list of Commander Irving J. Superfine, United States Navy; to the Committee on Armed Services.

By Mr. FARRINGTON:

H. R. 5657. A bill to legalize the admission into the United States of Joo Tung Lum; to the Committee on the Judiciary.

By Mr. GWINN:

H. R. 5658. A bill for the relief of Gunther H. Hahn; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 5659. A bill for the relief of Charles S. Edwards; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 5660. A bill for the relief of Gustaf Henrik Walden; to the Committee on the Judiciary.

By Mr. McKINNON:

H. R. 5661. A bill for the relief of Florence Grace Pond Whitehill; to the Committee on Armed Services.

By Mr. JOSEPH L. PFEIFER:

H. R. 5662. A bill for the relief of Joao Oto Ramos; to the Committee on the Judiciary.

By Mr. JUDD:

H. J. Res. 299. Joint resolution to provide unrestricted entry privileges for Sister Elizabeth Kenny; to the Committee on the Judiciary.

By Mr. JAVITS:

H. Res. 286. Resolution to create a Select Committee on Post-ERP Policy; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1302. By the SPEAKER: Petition of District of Columbia Dental Hygienists Association, Washington, D. C., requesting that the Congress do not enact any legislation which will hamper that freedom such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1303. Also, petition of Mrs. Mollie Kehler and others, Mitchell, S. Dak., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1304. Also, petition of Mrs. M. B. Claypoole and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1305. Also, petition of I. C. Ellis and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1306. By Mr. LECOMPTE: Petition of Mr. H. A. Workman, druggist, and other citizens of Leon, Iowa, urging the repeal of the 20 percent excise tax on all toilet goods; to the Committee on Ways and Means.

SENATE

FRIDAY, JULY 15, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who art the Supreme Ruler of the Universe, we pray that daily we may be endowed with that deeper insight which discerns and knows how to interpret the eternal will of God.

May we have the courage to believe that in our search for world peace we are not being duped by an elusive phantom and a vague impossibility.

God forbid that we should ever feel with the cynic that wars are inevitable and that men always have and always will bow down to the foul mud gods of hatred and greed.

May we never regard this earth as the perpetual jungle of selfish nations, snapping and snarling at each other and engaging periodically in bloody conflicts, each more terrible and tragic than the last.

Grant that we may believe and understand that pacts and treaties, leagues and federations, however seemingly reasonable and plausible, must depend ultimately for their realization and success upon the birth, by the Holy Spirit of God, of a finer moral and spiritual life in the heart of man.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 14, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 863) authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco.

The message also announced that the House had passed the bill (S. 1407) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 858. An act to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries; and

H. R. 2104. An act relating to orders to banks doing business in the District of Columbia to stop payment on negotiable instruments payable from deposits in, or payable at, such banks.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 5 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 10 to the bill, and agreed to the same with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAVIS of Georgia, Mr. KLEIN, and Mr. BEALL were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ABERNETHY, Mr. SMITH of Virginia, and Mr. MILLER of Nebraska were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MORRIS, Mr. MURDOCK, Mr. WHITE of Idaho, Mr. D'EWART, and Mr. LEMKE were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 3417. An act to amend the act entitled "An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians," approved April 10, 1928, and for other purposes;

H. R. 5187. An act to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs;

H. R. 5188. An act to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks;

H. J. Res. 295. Joint resolution to erect a memorial to the memory of Mohandas K. Gandhi; and

H. J. Res. 298. Joint resolution to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the Office of the Sergeant at Arms of the House of Representatives.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 52) authorizing the printing of additional copies of the publications entitled "100 Things You Should Know About Communism in the U. S. A.", "100 Things You Should Know About Communism and Religion," as amended, "Spotlight on Spies," "100 Things You Should Know About Communism and Education," "100 Things You Should Know About Communism and Labor," and "100 Things You Should Know About Communism and Government," in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Humphrey	Myers
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Reed
Chapman	Kefauver	Robertson
Chavez	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Schoeppel
Donnell	Knowland	Smith, Maine
Douglas	Langer	Smith, N. J.
Downey	Lodge	Sparkman
Dulles	Long	Stennis
Eastland	Lucas	Taylor
Ecton	McCarran	Thomas, Okla.
Ferguson	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Green	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Maybank	Withers
Hendrickson	Miller	Young

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from North Carolina [Mr. GRAHAM] is absent because of illness.